

## Calendar No. 97

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1st Session }

SENATE

{ REPORT  
107-43

### DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 2002

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JULY 20, 2001.—Ordered to be printed

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Ms. MIKULSKI, from the Committee on Appropriations,  
submitted the following

### REPORT

[To accompany S. 1216]

The Committee on Appropriations reports the bill (S. 1216) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes, reports favorably thereon and recommends that the bill do pass.

#### *Amount of new budget (obligational) authority*

Amount of bill as reported to Senate .....	\$113,361,308,000
Amount of appropriations to date, 2001 .....	105,346,264,000
Amount of budget estimates, 2002 .....	110,671,650,000
Over estimates for 2002 .....	2,689,658,000
Above appropriations for 2001 .....	8,015,044,000

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## INTRODUCTION

The Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies appropriations bill for fiscal year 2002 provides a total of \$113,361,308,000 in budget authority, including approximately \$27,304,766,000 in mandatory spending. The Committee did its best to meet all important priorities within the bill, with the highest priority given to veterans programs and section 8 contract renewals. Other priorities included maintaining environmental programs at or above current year levels, ensuring adequate funds for our Nation's space and scientific research programs, and providing adequate funding for emergency management and disaster relief.

As recommended by the Committee, this bill attempts to provide a fair and balanced approach to the many competing programs and activities under the VA-HUD subcommittee's jurisdiction.

The Committee recommendation provides \$23,830,210,000 in discretionary funding for the Department of Veterans Affairs, an increase of \$1,453,487,000 above the fiscal year 2001 enacted level and \$452,763,000 above the budget request. The Committee has made veterans programs the highest priority in the bill. Increases in VA programs above the budget request are recommended for medical research and the State home program.

For the Department of Housing and Urban Development, the Committee recommendation totals \$31,019,494,000, an increase of \$2,491,658,000 over the fiscal year 2001 enacted level. The Committee has provided significant funding for all HUD programs while also providing the needed funding for all expiring section 8 contracts. The Committee believes a balanced approach to the funding of housing programs is key to meeting the housing needs of low-income families.

For the Environmental Protection Agency, the Committee recommendation totals \$7,751,600,000, a decrease of \$60,026,000 below the fiscal year 2001 enacted level and an increase of \$435,001,000 above the budget request. Major changes from the President's request include an increase of \$500,000,000 for clean water State revolving funds.

The Committee recommendation includes \$3,277,945,000 for the Federal Emergency Management Agency, including \$2,000,000,000 in emergency contingency funds for disaster relief.

The Committee recommendation for the National Aeronautics and Space Administration totals \$14,561,400,000, an increase of \$307,528,000 above the fiscal year 2001 level.

For the National Science Foundation, the Committee recommendation totals \$4,672,520,000, an increase of \$256,136,000 above the fiscal year 2001 enacted level. The Committee views NSF as a key investment in the future and this funding is intended to

reaffirm the strong and longstanding leadership of this Committee in support of scientific research and education.

#### REPROGRAMMING AND INITIATION OF NEW PROGRAMS

The Committee continues to have a particular interest in being informed of reprogrammings which, although they may not change either the total amount available in an account or any of the purposes for which the appropriation is legally available, represent a significant departure from budget plans presented to the Committee in an agency's budget justifications.

Consequently, the Committee directs the Departments of Veterans Affairs and Housing and Urban Development, and the agencies funded through this bill, to notify the chairman of the Committee prior to each reprogramming of funds in excess of \$250,000 between programs, activities, or elements unless an alternate amount for the agency or department in question is specified elsewhere in this report. The Committee desires to be notified of reprogramming actions which involve less than the above-mentioned amounts if such actions would have the effect of changing an agency's funding requirements in future years or if programs or projects specifically cited in the Committee's reports are affected. Finally, the Committee wishes to be consulted regarding reorganizations of offices, programs, and activities prior to the planned implementation of such reorganizations.

The Committee also expects the Departments of Veterans Affairs and Housing and Urban Development, as well as the Corporation for National and Community Service, the Environmental Protection Agency, the Federal Emergency Management Agency, the National Aeronautics and Space Administration, the National Science Foundation, and the Consumer Product Safety Commission, to submit operating plans, signed by the respective secretary, administrator, or agency head, for the Committee's approval within 30 days of the bill's enactment. Other agencies within the bill should continue to submit operating plans consistent with prior year policy.

## TITLE I—DEPARTMENT OF VETERANS AFFAIRS

Appropriations, 2001 .....	<sup>1</sup> \$47,899,002,000
Budget estimate, 2002 .....	50,686,213,000
Committee recommendation .....	51,138,976,000

<sup>1</sup> Includes rescission of \$50,610,000 and add-on of \$8,840,000 pursuant to Public Law 106–554. Also, includes supplemental requests for Compensation and Readjustment Benefits totaling \$589,413,000 and \$347,000,000, respectively.

### GENERAL DESCRIPTION

The Veterans Administration was established as an independent agency by Executive Order 5398 of July 21, 1930, in accordance with the Act of July 3, 1930 (46 Stat. 1016). This act authorized the President to consolidate and coordinate Federal agencies especially created for or concerned with the administration of laws providing benefits to veterans, including the Veterans' Bureau, the Bureau of Pensions, and the National Home for Disabled Volunteer Soldiers. On March 15, 1989, VA was elevated to Cabinet-level status as the Department of Veterans Affairs.

The VA's mission is to serve America's veterans and their families as their principal advocate in ensuring that they receive the care, support, and recognition they have earned in service to the Nation. The VA's operating units include the Veterans Health Administration, Veterans Benefits Administration, National Cemetery Administration, and staff offices.

The Veterans Health Administration develops, maintains, and operates a national health care delivery system for eligible veterans; carries out a program of education and training of health care personnel; carries out a program of medical research and development; and furnishes health services to members of the Armed Forces during periods of war or national emergency. A system of 172 medical centers, 876 outpatient clinics, 135 nursing homes, and 43 domiciliaries is maintained to meet the VA's medical mission.

The Veterans Benefits Administration provides an integrated program of nonmedical veteran benefits. This Administration administers a broad range of benefits to veterans and other eligible beneficiaries through 58 regional offices and the records processing center in St. Louis, MO. The benefits provided include: compensation for service-connected disabilities; pensions for wartime, needy, and totally disabled veterans; vocational rehabilitation assistance; educational and training assistance; home buying assistance; estate protection services for veterans under legal disability; information and assistance through personalized contacts; and six life insurance programs.

The National Cemetery Administration provides for the interment of the remains of eligible deceased servicepersons and discharged veterans in any national cemetery with available grave space; permanently maintains these graves; marks graves of eligible persons in national and private cemeteries; and administers the

grant program for aid to States in establishing, expanding, or improving State veterans' cemeteries. The National Cemetery Administration includes 152 cemeterial installations and activities.

Other VA offices, including the general counsel, inspector general, Boards of Contract Appeals and Veterans Appeals, and the general administration, support the Secretary, Deputy Secretary, Under Secretary for Health, Under Secretary for Benefits, and the Under Secretary for Memorial Affairs.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$51,138,976,000 for the Department of Veterans Affairs, including \$27,308,766,000 in mandatory spending and \$23,830,210,000 in discretionary spending. The amount provided for discretionary activities represents an increase of \$452,763,000 above the budget request and \$1,453,487,000 above the fiscal year 2001 enacted level. The Committee has given VA programs the highest priority in the bill. Increases above the President's request are recommended for medical research and State home construction grants. The appropriation for VA will ensure the highest quality care and services to our Nation's veterans, and honor and dignity to those who are deceased.

#### VETERANS BENEFITS ADMINISTRATION

##### COMPENSATION AND PENSIONS

##### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	<sup>1</sup> \$23,355,689,000
Budget estimate, 2002 .....	24,944,288,000
Committee recommendation .....	24,944,288,000

<sup>1</sup> Includes supplemental request of \$589,413,000.

#### PROGRAM DESCRIPTION

Compensation is payable to living veterans who have suffered impairment of earning power from service-connected disabilities. The amount of compensation is based upon the impact of disabilities on earning capacity. Death compensation or dependency and indemnity compensation is payable to the surviving spouses and dependents of veterans whose deaths occur while on active duty or result from service-connected disabilities. A clothing allowance may also be provided for service-connected veterans who use a prosthetic or orthopedic device.

Pensions are an income security benefit payable to needy wartime veterans who are precluded from gainful employment due to non-service-connected disabilities which render them permanently and totally disabled. Under the Omnibus Budget Reconciliation Act of 1990, veterans 65 years of age or older are no longer considered permanently and totally disabled by law and are thus subject to a medical evaluation. Death pensions are payable to needy surviving spouses and children of deceased wartime veterans. The rate payable for both disability and death pensions is determined on the basis of the annual income of the veteran or his survivors.

This account also funds burial benefits and miscellaneous assistance.

## COMMITTEE RECOMMENDATION

The Committee has provided \$24,944,288,000 for compensation and pensions. This is an increase of \$1,588,599,000 above the fiscal year 2001 enacted level and the same as the budget estimate.

The estimated caseload and cost by program follows:

## COMPENSATION AND PENSIONS

	2001	2002	Difference
<b>Caseload:</b>			
Compensation:			
Veterans .....	2,324,225	2,371,834	+ 47,609
Survivors .....	306,842	308,316	+ 1,474
Children .....	936	982	+ 46
(Clothing allowance) .....	(76,285)	(76,234)	( - 51)
Pensions:			
Veterans .....	360,724	352,033	- 8,691
Survivors .....	249,142	235,415	- 13,727
Minimum income for widows (non-add) .....	(558)	(523)	( - 35)
Vocational training (non-add) .....	(5)	(3)	( - 2)
Burial allowances .....	91,740	93,740	+ 2,000
<b>Funds:</b>			
Compensation:			
Veterans .....	\$16,621,523,000	\$17,939,507,000	+ \$1,317,984,000
Survivors .....	3,676,267,000	3,805,051,000	+ 128,784,000
Children .....	13,431,000	14,808,000	+ 1,377,000
Clothing allowance .....	41,687,000	41,652,000	- 35,000
Payment to GOE (Public Laws 101-508 and 102-568) .....	1,266,000	1,286,000	+ 20,000
Medical exams pilot program (Public Law 104-275) .....	26,701,000	28,749,000	+ 2,048,000
Pensions:			
Veterans .....	2,312,739,000	2,306,208,000	- 6,531,000
Survivors .....	683,736,000	656,848,000	- 26,888,000
Minimum income for widows .....	3,585,000	3,444,000	- 141,000
Vocational training .....	6,000	4,000	- 2,000
Payment to GOE (Public Laws 101-508, 102-568, and 103-446) .....	8,521,000	8,564,000	+ 43,000
Payment to Medical Care (Public Laws 101-508 and 102-568) .....	7,632,000	8,090,000	+ 458,000
Payment to Medical Facilities (non-add) .....	(2,207,000)	(2,320,000)	( + 113,000)
Burial benefits .....	129,837,000	130,300,000	+ 463,000
Other assistance .....	3,212,000	3,221,000	+ 9,000
Unobligated balance and transfers .....	- 174,455,000	- 3,444,000	+ 171,011,000
Total appropriation .....	23,355,689,000	24,944,288,000	+ 1,588,599,000

The appropriation includes \$17,940,000 in payments to the “General operating expenses” and “Medical care” accounts for expenses related to implementing provisions of the Omnibus Budget Reconciliation Act of 1990, the Veterans’ Benefits Act of 1992, the Veterans’ Benefits Improvements Act of 1994, and the Veterans’ Benefits Improvements Act of 1996. The amount also includes funds for a projected fiscal year 2002 cost-of-living increase of 2.5 percent for pension recipients.

## READJUSTMENT BENEFITS

Appropriations, 2001 .....	<sup>1</sup> \$1,981,000,000
Budget estimate, 2002 .....	2,135,000,000
Committee recommendation .....	2,135,000,000

<sup>1</sup> Includes a supplemental request of \$347,000,000.

## PROGRAM DESCRIPTION

The readjustment benefits appropriation finances the education and training of veterans and servicepersons whose initial entry on active duty took place on or after July 1, 1985. These benefits are included in the All-Volunteer Force Educational Assistance Program (Montgomery GI bill) authorized under 38 U.S.C. 30. Eligibility to receive this assistance began in 1987. Basic benefits are funded through appropriations made to the readjustment benefits appropriation and transfers from the Department of Defense. Supplemental benefits are also provided to certain veterans and this funding is available from transfers from the Department of Defense. This account also finances vocational rehabilitation, specially adapted housing grants, automobile grants with the associated approved adaptive equipment for certain disabled veterans, and finances educational assistance allowances for eligible dependents of those veterans who died from service-connected causes or have a total permanent service-connected disability as well as dependents of servicepersons who were captured or missing in action.

## COMMITTEE RECOMMENDATION

The Committee has recommended the budget estimate of \$2,135,000,000 for readjustment benefits. The amount recommended is an increase of \$154,000,000 above the fiscal year 2001 enacted level.

The estimated caseload and cost for this account follows:

## READJUSTMENT BENEFITS

	2001	2002	Difference
Number of trainees:			
Education and training: Dependents .....	47,107	50,320	+ 3,213
All-Volunteer Force educational assistance:			
Veterans and servicepersons .....	324,300	334,300	+ 10,000
Reservists .....	71,500	70,500	- 1,000
Vocational rehabilitation .....	53,250	53,400	+ 150
Tuition assistance .....	161,000	214,000	+ 53,000
Total .....	657,157	722,520	+ 65,363
Funds:			
Education and training: Dependents .....	\$173,694,000	\$186,036,000	+ \$12,342,000
All-Volunteer Force educational assistance:			
Veterans and servicepersons .....	1,356,150,000	1,444,752,000	+ 88,602,000
Reservists .....	115,850,000	123,504,000	+ 7,654,000
Vocational rehabilitation .....	419,200,000	432,100,000	+ 12,900,000
Tuition assistance .....	24,900,000	34,500,000	+ 9,600,000
Licensing and certification tests .....	2,860,000	16,860,000	+ 14,000,000
Housing grants .....	22,805,000	22,805,000	.....
Automobiles and other conveyances .....	7,947,000	7,947,000	.....



## READJUSTMENT BENEFITS—Continued

	2001	2002	Difference
Adaptive equipment .....	27,500,000	27,500,000	.....
Work-study .....	50,500,000	49,500,000	– 1,000,000
Payment to States .....	14,000,000	14,000,000	.....
Reporting fees .....	3,052,000	3,500,000	+ 448,000
Unobligated balance and other adjustments .....	– 237,458,000	– 228,004,000	+ 9,454,000
Total appropriation .....	1,981,000,000	2,135,000,000	+ 154,000,000

## VETERANS INSURANCE AND INDEMNITIES

Appropriations, 2001 .....	\$19,850,000
Budget estimate, 2002 .....	26,200,000
Committee recommendation .....	26,200,000

## PROGRAM DESCRIPTION

The veterans insurance and indemnities appropriation is made up of the former appropriations for military and naval insurance, applicable to World War I veterans; National Service Life Insurance, applicable to certain World War II veterans; Servicemen's indemnities, applicable to Korean conflict veterans; and veterans mortgage life insurance to individuals who have received a grant for specially adapted housing.

## COMMITTEE RECOMMENDATION

The Committee has provided \$26,200,000 for veterans insurance and indemnities, as requested by the administration. This is an increase of \$6,350,000 above the fiscal year 2001 enacted level. The Department estimates there will be 4,289,330 policies in force in fiscal year 2002 with a value of nearly \$554,273,500,000.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT  
(INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 2001 .....	\$165,740,000	\$161,644,000
Budget estimate, 2002 .....	203,278,000	164,497,000
Committee recommendation .....	203,278,000	164,497,000

## PROGRAM DESCRIPTION

This appropriation provides for all costs, with the exception of the Native American Veteran Housing Loan Program, of VA's direct and guaranteed loans, as well as the administrative expenses to carry out these programs, which may be transferred to and merged with the general operating expenses appropriation.

VA loan guaranties are made to service members, veterans, reservists and unremarried surviving spouses for the purchase of homes, condominiums, manufactured homes and for refinancing loans. VA guarantees part of the total loan, permitting the pur-

chaser to obtain a mortgage with a competitive interest rate, even without a downpayment if the lender agrees. VA requires that a downpayment be made for a manufactured home. With a VA guaranty, the lender is protected against loss up to the amount of the guaranty if the borrower fails to repay the loan.

#### COMMITTEE RECOMMENDATION

The Committee recommends such sums as may be necessary for funding subsidy payments, estimated to total \$203,278,000, and \$164,497,000 for administrative expenses. The administrative expenses may be transferred to the "General operating expenses" account. Bill language limits gross obligations for direct loans for specially adapted housing to \$300,000.

The Committee has not included the Administration's request to eliminate the Secretary's authority (38. U.S.C. 2733) to finance the sale of acquired properties (establish vendee loans). The Committee expects the VA to cover the administrative expenses associated with this program within the amounts provided.

#### EDUCATION LOAN FUND PROGRAM ACCOUNT

##### (INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 2001 .....	\$1,000	\$220,000
Budget estimate, 2002 .....	1,000	64,000
Committee recommendation .....	1,000	64,000

#### PROGRAM DESCRIPTION

This appropriation covers the cost of direct loans for eligible dependents and, in addition, it includes administrative expenses necessary to carry out the direct loan program. The administrative funds may be transferred to and merged with the appropriation for the general operating expenses to cover the common overhead expenses.

#### COMMITTEE RECOMMENDATION

The bill includes \$1,000 for funding subsidy program costs and \$64,000 for administrative expenses. The administrative expenses may be transferred to and merged with the "General operating expenses" account. Bill language is included limiting program direct loans to \$3,400.

#### VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

##### (INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 2001 .....	\$52,000	<sup>1</sup> \$431,000
Budget estimate, 2002 .....	72,000	274,000
Committee recommendation .....	72,000	274,000

<sup>1</sup> Includes rescission of \$1,000 pursuant to Public Law 106-554.

## PROGRAM DESCRIPTION

This appropriation covers the funding subsidy cost of direct loans for vocational rehabilitation of eligible veterans and, in addition, it includes administrative expenses necessary to carry out the direct loan program. Loans of up to \$841 (based on indexed chapter 31 subsistence allowance rate) are available to service-connected disabled veterans enrolled in vocational rehabilitation programs as provided under 38 U.S.C. chapter 31 when the veteran is temporarily in need of additional assistance. Repayment is made in 10 monthly installments, without interest, through deductions from future payments of compensation, pension, subsistence allowance, educational assistance allowance, or retirement pay.

## COMMITTEE RECOMMENDATION

The bill includes the requested \$72,000 for program costs and \$274,000 for administrative expenses for the Vocational Rehabilitation Loans Program account. The administrative expenses may be transferred to and merged with the "General operating expenses" account. Bill language is included limiting program direct loans to \$3,301,000. It is estimated that VA will make 5,400 loans in fiscal year 2002, with an average amount of \$611.

## NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

## (INCLUDING TRANSFER OF FUNDS)

	<i>Administrative expenses</i>
Appropriations, 2001 .....	<sup>1</sup> \$531,000
Budget estimate, 2002 .....	544,000
Committee recommendation .....	544,000

<sup>1</sup> Includes rescission of \$1,000 pursuant to Public Law 106-554.

## PROGRAM DESCRIPTION

This program will test the feasibility of enabling VA to make direct home loans to native American veterans who live on U.S. trust lands. It is a pilot program that began in 1993 and expires on December 31, 2001. Subsidy amounts necessary to support this program were appropriated in fiscal year 1993.

## COMMITTEE RECOMMENDATION

The bill includes the budget estimate of \$544,000 for administrative expenses associated with this program in fiscal year 2002. These funds may be transferred to the "General operating expenses" account.

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS  
VETERANS PROGRAM ACCOUNT

## (INCLUDING TRANSFER OF FUNDS)

## PROGRAM DESCRIPTION

This program was established by Public Law 105-368, the Veterans Programs Enhancement Act of 1998. The program is a pilot

project designed to expand the supply of transitional housing for homeless veterans and to guarantee up to 15 loans with a maximum aggregate value of \$100,000,000. Not more than five loans may be guaranteed in the first 3 years of the program. The project must enforce sobriety standards and provide a wide range of supportive services such as counseling for substance abuse and job readiness skills. Residents will be required to pay a reasonable fee.

#### COMMITTEE RECOMMENDATION

All funds authorized for this program have been appropriated. Therefore, additional appropriations are not required. Administrative expenses of the program, estimated at \$750,000 for fiscal year 2002, will be borne by the "Medical care" and "General operating expenses" appropriations.

#### VETERANS HEALTH ADMINISTRATION

##### MEDICAL CARE

Appropriations, 2001 .....	\$20,236,968,000
Budget estimate, 2002 .....	20,979,742,000
Committee recommendation .....	21,379,742,000

#### PROGRAM DESCRIPTION

The Department of Veterans Affairs [VA] operates the largest Federal medical care delivery system in the country, with 172 medical centers, 43 domiciliaries, 135 nursing homes, and 876 outpatient clinics which includes independent, satellite, community-based, and rural outreach clinics.

This appropriation provides for medical care and treatment of eligible beneficiaries in VA hospitals, nursing homes, domiciliaries, and outpatient clinic facilities; contract hospitals; State home facilities on a grant basis; contract community nursing homes; and through the hometown outpatient program, on a fee basis. Hospital and outpatient care also are provided for certain dependents and survivors of veterans under the Civilian Health and Medical Program of the VA [CHAMPVA]. The medical care appropriation also provides for training of medical residents and interns and other professional paramedical and administrative personnel in health science fields to support the Department's and the Nation's health manpower demands.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$21,379,742,000 for VA medical care, an increase of \$1,142,774,000 over the fiscal year 2001 enacted level and \$400,000,000 above the budget request. In addition, VA has authority to retain co-payments and third-party collections, estimated by the Congressional Budget Office to total \$896,000,000 in fiscal year 2002. Therefore, the Committee's recommendation represents total resources for medical care of \$22,375,742,000.

*Physician Assistants.*—In its fiscal year 2001 report, the Committee urged the VHA to establish a position of Physician Assistant (PA) Advisor. The Veterans Benefits and Health Care Improvement Act of 2000 (Public Law 106-419) also directed the VHA to create

a PA Advisor position to the Office of the Under Secretary for Health. The Committee is deeply disturbed that the VHA has not yet established the PA position. Furthermore, the Committee is concerned that the VHA's proposal to limit the PA Advisor to a half-time field position is insufficient to effectively implement the position. Accordingly, the Committee encourages the VHA consider implementing the PA Advisor position as a full-time position, located in the VA central office or in a VA field medical center that is in close proximity to Washington, DC, and to provide sufficient funding to support the administrative and travel requirements associated with the position.

*Assisted Living.*—The Committee notes with concern that the VA has not yet finalized the pilot program on assisted living called for in Section 103 of the Veterans Millennium Health Care Act (Public Law 106–117). Due to the high number of quality programs submitted for consideration, the Committee strongly urges the VA to expedite the pilot, and to consider funding additional assisted living pilots as soon as possible.

*Hepatitis C.*—Essential screening and testing programs for hepatitis C have just begun to be implemented by VA. Infected veterans will need medical evaluation, counseling, drug treatment and long-term medical follow-up, a complicated regimen which requires close coordination of care for the best quality of care and use of resources. VA is encouraged to coordinate all hepatitis C-related screening, testing, care, and long-term follow-up activities for each facility, including oversight of VA's National Hepatitis C Registry.

The Committee supports the VA's efforts to explore opportunities to utilize oral fluid testing to diagnose the Hepatitis C virus (HCV) and urges VA to continue pursuing HCV oral fluid tests.

*Schizophrenia.*—The Committee is aware that the VA is developing new treatment guidelines for veterans with schizophrenia. Part of the deliberations on these guidelines include the consideration of a "fail first" approach, which is currently being tested in two health care networks. Under this "fail first" approach, physicians are required to begin treatment with the least expensive medication and then use other drugs progressively, in order of their costs, until the patient is effectively treated. The Committee is troubled by any approach that places costs above the patients' best interests, especially for such complex illnesses as schizophrenia. Accordingly, the Committee directs VA to suspend the implementation of the "fail first" approach until it submits a report to the Committee within 90 days after the enactment of this Act on its justifications for using the "fail first" approach. This report should include any references to scientific literature or studies that demonstrate the rationale for the "fail first" approach.

*Improving access.*—The Committee is concerned that outpatient clinics in Mason City, Waterloo, and Dubuque, Iowa, have stopped accepting new patients because they are full. The Committee directs the VA to report to the Committee on plans to ensure access to care for rural veterans in areas where outpatient clinics are full.

The Committee urges the VA to establish a special Native American and Alaskan Veterans Advisory Committee to assure that comprehensive, culturally acceptable personal and public health

services are available and accessible to American Indian and Alaskan Native Veterans.

The Committee is aware of needs for outpatient clinics in areas of New Mexico and encourages the Department to expedite the opening of new clinics in Alamogordo and Santa Fe, New Mexico and Durango, Colorado.

The Committee is aware that veterans living in rural communities in the Matanuska-Susitna Valley in Alaska must travel long distances to receive VA medical care in Anchorage. Travel to Anchorage is often marked by inclement weather and impassable road conditions. To address this situation, the Committee directs VA to report to the Committee by March 30, 2002 on its progress in establishing a community-based outpatient clinic in the borough, and expects the clinic to be operational in fiscal year 2002. In the meantime, VA should enable veterans living in areas further than a 50-mile radius of Anchorage to use contract care from local physicians.

*Psychology Post-Doctoral Training Program.*—The Committee continues to support the Veterans' Health Administration's efforts to strengthen their Psychology Post-Doctoral Training Program. The Committee awaits the progress report due early this year that will include the number of training slots for psychologists and their location.

*Long Distance Learning Program for Nursing.*—The Committee supports the joint VA/DOD Distance Learning Program, and recommend that the VA continue the distance learning project designed to transition clinical nurse specialists into roles as adult nurse practitioners.

*Tripler Joint Venture Demonstration.*—The colocation of VA and DOD healthcare facilities at the Tripler Army Medical Center offers significant opportunities to provide high quality care to Federal beneficiaries residing in Hawaii and vast Pacific region through the creation of a truly integrated and "seamless" healthcare delivery system. In its fiscal year 2001 report, the Committee urged VA and DOD to establish formally a joint venture demonstration project at Tripler. The Committee urges the VA to implement a demonstration project that integrates the VA pharmacy program at the Sparky M. Matsunaga VA Medical Center with the DOD pharmacy program, both located at Tripler, so that such services become "seamless" for veterans and DOD personnel. Moreover, adequate resources should be provided by VA to VAMROC Honolulu to support its participation in this and other demonstration projects, and to allow continued and expanded VA participation in the recently established Hawaii Federal Healthcare Partnership. The Committee reiterates its request included in its fiscal year 2001 report to be provided with a plan and progress report for the joint venture demonstration project by March 1, 2002.

*Joslin Vision Network (JVN).*—The Committee supports the current level of support to expand the JVN to additional pilot sites in fiscal year 2002. This program benefits diabetic patients by offering improved quality of care through increased access to the highest quality medical expertise and education, and the Committee encourages the VA to initiate new pilot sites to advance the JVN technology toward off-the-shelf deployment.

*VA-National Guard Partnership.*—The Committee is aware of efforts to establish a pilot program to demonstrate the feasibility of using National Guard armories to provide veterans service. The Committee encourages the VA to continue its work to implement this program, and to keep the Committee informed of its efforts in this area.

*Homelessness.*—The Committee remains concerned by the high prevalence among homeless veterans that have a mental health and/or substance abuse problem. According to a December 1999 report by the Interagency Council on the Homeless, 76 percent of homeless veterans suffer from a mental health and/or substance abuse problem. Further, an April 2000 General Accounting Office report found that between 1996 and 1998, inpatient services to seriously mentally ill veterans decreased by 19 percent and services for substance abuse treatment decreased by 41 percent. The Committee directs VA to report to the Committees on Appropriations in its fiscal year 2002 operating plan on how it intends to address these problems. Separately, the Committee directs VA to report by February 5, 2002 detailing how many veterans are receiving treatment and how many veterans have requested treatment but have been turned away. This report should include recommendations on how VA intends to hold its networks accountable for serving these vulnerable veterans.

The Committee is interested in finding ways to improve the use of VA's Homeless Providers Grant and Per Diem program, which is essential in providing transitional housing beds to homeless veterans. The VA estimates that no more than \$34,000,000 will be spent on this program in fiscal year 2002—\$16,000,000 below its authorized level. The Committee is also concerned about existing funded grantees having access to per diem funds to expand their beds and encourages VA to address this issue in its fiscal year 2003 budget.

The Committee supports the Department's recent announcement to establish a VA Advisory Council on Homelessness Among Veterans to provide the VA with advice and recommendations on improving access and service to homeless veterans. This effort should not only address those veterans that are currently homeless but also veterans that are at-risk of becoming homeless. To further this cause, the Committee encourages VA to consult with the Interagency Council on the Homeless to ensure that services provided by other Federal agencies such as HUD and HHS are coordinated with the VA in addressing homelessness.

*VERA.*—The Committee supports the core principles underlying the Veterans Equitable Resource Allocation (VERA) system—that VA health care funds should be allocated fairly according to the number of veterans having the highest priority for health care, and aligning resources according to the best practices in health care. At the same time, however, the Committee believes that when any Veterans Integrated Service Network (VISN) experiences an operating shortfall that would threaten its ability to serve eligible veterans, and VHA has determined that the VISN has implemented all appropriate economies and efficiencies, VHA should consider strongly supplemental allocations to that VISN. To that end, the Committee urges VA to ensure that it reserves sufficient funds to

meet the operating need of those VISNs that may require supplemental funding during the year.

*VERA Study.*—The Committee is pleased with the initial results of the ongoing VERA study, which indicate that a detailed analysis might yield greater specificity and fairness in distributing medical care resources. The Committee therefore directs VA to continue the federally-funded research and development center study through fiscal year 2002, with interim reports to be provided to the Committee in February 2002 and June 2002. The Committee expects the study to be complete at the end of fiscal year 2002.

*Clarksburg/Ruby Memorial demonstration.*—The Committee supports continuation at current levels (\$2,000,000) of the Clarksburg VAMC/Ruby Memorial hospital demonstration project.

*VA Healthcare Information Security.*—The Committee provides \$1,000,000 for the VA to study the feasibility of establishing a Center for Healthcare Information at the Office of Medical Information Security Service at the Martinsburg VAMC to identify solutions to protect the privacy, confidentiality, and integrity of the sensitive medical records of the VA patient population.

*Pacific Telemedicine Project.*—The Committee continues to support the development of a VA Pacific Telemedicine Project at the Hawaii VAMROC, which will enhance and improve the availability and access to health care for veterans in Hawaii. The Committee strongly encourages the VA to begin implementation of the Pacific Telemedicine project as part of the Hawaii Federal Healthcare Partnership.

*Rural Veterans Health Care Initiative.*—The Committee expects continuation at the current level of the Rural Veterans Health Care Initiative at White River Junction, VT VAMC.

*Veterans Health Promotion Centers.*—The Committee is aware of proposals to develop a Public Health Research and Education Centers program, whereby centers based at accredited schools of public health would serve to complement the activities conducted through the VA's National Center for Health Promotion and Disease Prevention. Centers would conduct research, education, and outreach on health promotion and disease prevention activities for veterans. The Committee encourages the VA to seriously consider these proposals, determine if they would enhance the quality of healthcare to veterans in an effective and cost efficient manner, and to report to the Committee by March 2002 on this matter.

*Geriatrics.*—The Committee supports the VA's Geriatric Research, Education, and Clinical Centers (GRECCs) program. There are now 21 GRECCs, and there are GRECCs located in all but three networks. The Committee is disappointed that the VA has not included an expansion of the program in its budget request, and encourages VA to expand the program, giving highest priority to VISNs that do not have a CRECC. The Committee directs the VA to report by December 31, 2001, on the VA's plan to expand the GRECC program, including funding requirements and potential locations.

As America's veteran population grows older, it is imperative that the VA is able to recruit and train sufficient numbers of professionals with an emphasis in geriatrics. The Committee is concerned that the VA's current geriatrics fellowship duration of just



1 year may not encourage sufficient numbers of physicians to specialize in geriatrics. Accordingly, the Committee directs the VA to report by December 31, 2001, on: (1) the feasibility of extending geriatric fellowships to 2 years; and (2) additional recommendations for making fellowships more competitive with the private sector.

*Mental Illness.*—The Committee supports the VA’s Mental Illness Research, Education, and Clinical Centers (MIRECC) program, and is disappointed that the budget request does not include an expansion of the program. The Committee directs VA to report by December 31, 2001, on VA’s plans to expand the program, including funding requirements and potential locations.

The Committee has included bill language delaying the availability until August 1, 2002, of \$675,000,000 in the equipment, lands, and structures object classifications.

The Committee has included bill language to make available through September 30, 2003, up to \$900,000,000 of the medical care appropriation. This provides flexibility to the Department as it continues to implement significant program changes. The Committee notes VA expects to carry over \$19,000,000 from fiscal year 2001 2-year funds.

#### MEDICAL AND PROSTHETIC RESEARCH

Appropriations, 2001 .....	\$350,228,000
Budget estimate, 2002 .....	360,237,000
Committee recommendation .....	390,000,000

#### PROGRAM DESCRIPTION

The “Medical and prosthetic research” account provides funds for medical, rehabilitative, and health services research. Medical research supports basic and clinical studies that advance knowledge leading to improvements in the prevention, diagnosis, and treatment of diseases and disabilities. Rehabilitation research focuses on rehabilitation engineering problems in the fields of prosthetics, orthotics, adaptive equipment for vehicles, sensory aids and related areas. Health services research focuses on improving the effectiveness and economy of delivery of health services.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$390,000,000 for medical and prosthetic research, an increase of \$29,763,000 above the budget request and \$39,772,000 above the fiscal year 2001 enacted level. The Committee remains highly supportive of this program, and recognizes its importance both in improving health care services to veterans and recruiting and retaining high-quality medical professionals in the Veterans Health Administration.

*Neurofibromatosis.*—Research has documented the link between neurofibromatosis (NF) and cancer, brain tumors, and heart disease. In view of this link, which suggests that research on NF stands to benefit a vast segment of the veteran population, the Committee encourages the VA to increase its NF research portfolio, in addition to continuing to collaborate with other Federal agencies, such as the Department of Defense, in joint initiatives. In ad-

dition, the Committee requests that the VA be prepared to describe its efforts toward this end at its fiscal year 2003 appropriations hearing.

*Nursing Research Program.*—The Committee supports the Nursing Research Program to enable nurses to conduct research that focuses on the specific health care needs of aging veterans, and urges the program's continuation.

*Mental Health Research.*—The Committee notes that mental health research represents just a small percentage of the VA's total research program, and urges the VA to increase mental health research to investigate the prevalence of mental health problems in the VA population.

*Neuroscience.*—The Committee is aware of collaborative efforts between the Jackson, Mississippi and New Orleans VAMCs, along with local academic research centers, to enhance existing integrative neuroscience research and care needs of veterans with chronic pain, depression, drug addiction, and depressive disorders. The Committee encourages VA to continue its efforts in this collaboration.

*Intellectual Property Rights.*—The VA has recently proposed a new rule governing royalties stemming from intellectual property invented jointly by VA employees and employees of collaborating universities. This rule would allow VA to claim 50 percent and in some cases, 100 percent of all royalties from inventions—regardless of whether the inventor is a full- or part-time VA employee. The Committee understands that the VA has not included the views and concerns of the research community in developing this rule. This approach is contrary to the spirit of rulemaking and the interest of the scientific community. The Committee, therefore, directs the VA to consider fully those views and concerns as part of the implementation of this rule.

*Lymphoma.*—The Committee encourages the VHA to expand its research portfolio on lymphoid malignancies. Recent studies prove that veterans exposed to Agent Orange during the Vietnam War have an increased risk of contracting Hodgkin's disease and non-Hodgkin's lymphoma. The Institute of Medicine's review Committee on Agent Orange has also found an association between Agent Orange and the development of lymphoid malignancies. The Committee requests the VA to report to the Committee by March 5, 2002 on the Department's current research portfolio on lymphoma and its future research agenda.

#### MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

Appropriations, 2001 .....	\$61,864,000
Budget estimate, 2002 .....	67,628,000
Committee recommendation .....	67,628,000

#### PROGRAM DESCRIPTION

This appropriation provides funds for central office executive direction (Under Secretary for Health and staff), administration and supervision of all VA medical and construction programs, including development and implementation of policies, plans, and program objectives.

## COMMITTEE RECOMMENDATION

The Committee recommends \$67,628,000 for medical administration and miscellaneous operating expenses, an increase of \$5,764,000 above the fiscal year 2001 enacted level and the same as the budget request.

In 2000, VA established a reimbursement process between VHA, NCA, and VBA for project technical and consulting services to be provided by the Facilities Management Service Delivery Office. The estimated level of reimbursement to the Medical Administration and Miscellaneous Operating Expenses account in fiscal year 2002 for facilities management support is \$7,473,000.

## DEPARTMENTAL ADMINISTRATION

## GENERAL OPERATING EXPENSES

Appropriations, 2001 .....	\$1,047,690,000
Budget estimate, 2002 .....	1,194,831,000
Committee recommendation .....	1,194,831,000

## PROGRAM DESCRIPTION

This appropriation provides for the administration of nonmedical veterans benefits through the Veterans Benefits Administration [VBA], the executive direction of the Department, several top level supporting offices, of the Board of Contract Appeals, and the Board of Veterans' Appeals.

## COMMITTEE RECOMMENDATION

The Committee recommends \$1,194,831,000 for general operating expenses, an increase of \$147,141,000 above the fiscal year 2001 enacted level. The amount provided includes \$955,352,000 for the Veterans Benefits Administration and \$239,479,000 for general administration. In addition to this appropriation, resources are made available for general operating expenses through reimbursements totaling \$444,606,000 for fiscal year 2002, with total estimated obligations of approximately \$1,639,437,000.

Bill language is included making available \$60,000,000 of the GOE appropriation for 2 years, and includes a travel limitation of \$15,665,000.

*Coupler Technology.*—The Committee notes that the VA recently completed a successful demonstration of a medical information coupler system at the Tampa VAMROC that dramatically improved the care of veterans and their dependents. This technology links unique patient characteristics to relevant medical knowledge, increasing the quality of care while improving and standardizing quality of data obtained to further research at potentially reduced costs. The Committee encourages the VA to implement diabetes coupling software at additional VA medical facilities so that these benefits may be achieved in all regions. The Committee directs the VA to report on the progress of this initiative by May 1, 2002.

The Committee also notes that couplers may provide an opportunity for the VBA to improve quality and efficiency in the processing of claims. The Committee remains concerned about the backlog and complexity of the process, and encourages the VBA to

continue to investigate this technology to automate claims processing and increase efficiency.

The Committee recommends the current level of \$25,000 for official reception and representation expenses.

#### NATIONAL CEMETERY ADMINISTRATION

Appropriations, 2001 .....	\$109,647,000
Budget estimate, 2002 .....	121,169,000
Committee recommendation .....	121,169,000

#### PROGRAM DESCRIPTION

The National Cemetery Administration was established in accordance with the National Cemeteries Act of 1973. It has a four-fold mission: to provide for the interment in any national cemetery the remains of eligible deceased servicepersons and discharged veterans, together with their spouses and certain dependents, and permanently to maintain their graves; to mark graves of eligible persons in national and private cemeteries; to administer the grant program for aid to States in establishing, expanding, or improving State veterans' cemeteries; and to administer the Presidential Memorial Certificate Program.

There are a total of 152 cemeterial installations in 39 States, the District of Columbia, and Puerto Rico. The Committee's recommendation for the National Cemetery Administration provides funds for all of these cemeterial installations, including the Tahoma National Cemetery.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$121,169,000 for the National Cemetery Administration. This is an increase of \$11,522,000 over the fiscal year 2001 enacted level and the same as the budget request.

The increase above the fiscal year 2001 enacted level will fund 33 additional FTE, for a total of 1,499. This will allow for growth in cemeterial interment workloads, an increased level of contracting to address deferred maintenance needs, and additional supplies and equipment to maintain increased gravesites.

#### OFFICE OF THE INSPECTOR GENERAL

Appropriations, 2001 .....	\$46,362,000
Budget estimate, 2002 .....	48,308,000
Committee recommendation .....	48,308,000

#### PROGRAM DESCRIPTION

The Office of Inspector General was established by the Inspector General Act of 1978 and is responsible for the audit and investigation and inspections of all Department of Veterans Affairs programs and operations.

#### COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$48,308,000 for the inspector general. This is an increase of \$1,946,000 above the fiscal year 2001 enacted level.

## CONSTRUCTION, MAJOR PROJECTS

Appropriations, 2001 .....	\$65,895,000
Budget estimate, 2002 .....	183,180,000
Committee recommendation .....	155,180,000

## PROGRAM DESCRIPTION

The construction, major projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of VA, including planning, architectural and engineering services, and site acquisition where the estimated cost of a project is \$4,000,000 or more.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$155,180,000 for construction, major projects, an increase of \$89,285,000 above the fiscal year 2001 enacted level.

The following table compares the Committee recommendation with the budget request.

## CONSTRUCTION, MAJOR PROJECTS

[In thousands of dollars]

Location and description	Available through 2001	2002 Request	Committee recommenda- tion
Medical Program:			
General: Miami, FL Utility Plant and Electrical Distribution .....		28,000	.....
Advance planning fund: Various stations .....		5,000	5,000
CARE Fund .....		60,000	60,000
Asbestos abatement: Various stations .....		18,000	18,000
Subtotal .....		111,000	83,000
Veterans Benefits Administration: Advance planning fund .....		1,500	1,500
National Cemetery Administration:			
Atlanta, GA Phase I Development .....		28,200	28,200
Massachusetts National Cemetery Columbaria Expansion/Cemetery Im- provement .....		9,200	9,200
Miami, FL National Cemetery Design .....	15,000	2,000	2,000
Tahoma, WA, National Cemetery Columbaria Expansion/Cemetery Improve- ments .....		6,900	6,900
Land Acquisition .....		18,000	18,000
Design fund .....		5,180	5,180
Subtotal .....	15,000	69,480	69,480
Claims Analyses: Various stations .....		1,200	1,200
Total construction, major projects .....	15,000	183,180	155,180

The Committee's recommendation includes \$60,000,000 for the Capital Asset Realignment for Enhanced Services (CARES) Fund. The Committee applauds the Department's commitment to the CARES process in its budget request. The Committee supports fully the VA's commitment to make construction funds available upon completion of CARES studies and determination of capital asset requirements. VA recently completed its pilot Phase I study of VISN 12, which includes 8 VA healthcare facilities in Illinois, Michigan, and Wisconsin. The Committee urges VA to continue its

efforts on reviewing its capital assets to support delivery of health care services.

The Committee has not recommended funds for the Miami, FL electrical project, or other major construction medical project funding, as the Committee supports all such projects proceeding only upon CARES validation.

The Committee is aware of the efforts to provide additional research space for the Bronx VAMC to expand and enhance its programs in neurodegenerative diseases, including Alzheimers, Parkinsons, MS, ALS, and brain and spinal cord injury. The Committee recognizes the national significance of the research conducted at the Bronx VAMC, and has no objection to the VA proceeding with the design of this project. The Committee also urges the VA to include funding for this initiative in subsequent budget requests if it is found that this project is consistent with CARES protocols for VISN 3.

*Beckley, WV nursing home care unit.*—The Committee urges the VA to accelerate the design of the nursing home care unit at the Beckley, WV VAMC, for which funding was provided in fiscal year 2001. The Committee urges the VA to include sufficient funding for this project in the fiscal year 2003 budget request upon confirmation that the project is consistent with the strategic plan which emerges from the VISN 6 CARES process.

*Feasibility Study for a Clarksburg VAMC Research Center.*—The Committee directs the VA to conduct a feasibility study on the need for a VA Research Center for the Clarksburg VAMC on the campus of West Virginia University. The Committee expects that the findings will be reviewed as part of the CARES process for VISN 6. Construction funds will be recommended upon VA's confirmation that the project is consistent with the VISN strategic plan which emerges from the CARES process.

The Committee supports VA's efforts to explore new uses for the Miles City, MT VA facility, which has extensive excess capacity, and expects VA to keep it apprised of its activities in this area.

The Committee has included the requested amounts for development of the Atlanta, GA National Cemetery, improvements at the Massachusetts and Tahoma, WA, National Cemeteries, and design of the new Miami, FL, National Cemetery.

The Committee's recommendation includes the requested amounts for land acquisition costs associated with the establishment of national cemeteries in the vicinity of Sacramento, CA, Pittsburgh, PA, and Detroit, MI. This will allow VA to acquire the land necessary to build new national cemeteries to serve veterans and their family members in these geographic areas.

The Committee's recommendation also includes the requested amounts for design of the Fort Snelling, MN, Riverside, CA, and Barrancas, FL cemetery expansions.

The Committee notes that the Department is currently undertaking a demographic study on the future burial needs of our Nation's veterans as required by the Veterans Millennium Health Care Act (Public Law 106-117). The Committee understands that this study will include an analysis of the needs of the Albuquerque area of New Mexico, and urges the Department to submit the results of this study by December 31, 2001.

## CONSTRUCTION, MINOR PROJECTS

Appropriations, 2001 .....	\$170,465,000
Budget estimate, 2002 .....	178,900,000
Committee recommendation .....	178,900,000

## PROGRAM DESCRIPTION

The construction, minor projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of VA, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is less than \$4,000,000.

## COMMITTEE RECOMMENDATION

The Committee recommends \$178,900,000 for minor construction, the same as the budget request and \$8,435,000 above the fiscal year 2001 enacted level.

The Committee has no objection to VHA proceeding with the design of a series of projects in VISN1 to renovate operating rooms, repair utilities and make other improvements to VA facilities in the region. However, until a CARES contractor reviews the projects to evaluate whether they are consistent with the future mission of the VISN envisioned by the CARES evaluation, no construction funds are to be awarded.

*St. Louis Parking.*—The Committee is aware that the Department is examining the use of enhanced-use leasing at the John Cochran Division of the VA Medical Center in St. Louis, Missouri as a means to address a severe parking deficiency and safety problem at the Medical Center. The VA Medical Center is located in an urban area that has been historically economically depressed but is currently undergoing an economic revitalization effort. Because of local economic conditions in this urban area, the enhanced-use alternative may require a capital contribution from minor construction appropriations in order to secure the necessary remaining and larger private sector investment for this facility. The Department is encouraged to pursue this approach, consistent with the CARES protocols in that it not only addresses the Department's facility needs in a cost effective way but also encourages economic growth and revitalization as a model for similar urban areas that serve as home to many of this Nation's veterans.

## PARKING REVOLVING FUND

Appropriations, 2001 .....	\$0
Budget estimate, 2002 .....	4,000,000
Committee recommendation .....	4,000,000

## PROGRAM DESCRIPTION

The revolving fund provides funds for the construction, alteration, and acquisition (by purchase or lease) of parking garages at VA medical facilities authorized by 38 U.S.C. 8109.

The Secretary is required under certain circumstances to establish and collect fees for the use of such garages and parking facilities. Receipts from the parking fees are to be deposited in the re-

volving fund and would be used to fund future parking garage initiatives.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$4,000,000 for the parking revolving fund, the same as the budget request.

#### GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

Appropriations, 2001 .....	\$99,780,000
Budget estimate, 2002 .....	50,000,000
Committee recommendation .....	100,000,000

#### PROGRAM DESCRIPTION

This account is used to provide grants to assist States in acquiring or constructing State home facilities for furnishing domiciliary or nursing home care to veterans, and to expand, remodel or alter existing buildings for furnishing domiciliary, nursing home, or hospital care to veterans in State homes. The grant may not exceed 65 percent of the total cost of the project, and grants to any one State may not exceed one-third of the amount appropriated in any fiscal year. Public Law 102–585 granted permanent authority for this program and Public Law 106–117 provided greater specificity in directing VA to prescribe regulations for the number of beds for which grant assistance may be furnished.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$100,000,000 for grants for the construction of State extended care facilities, an increase of \$220,000 above the fiscal year 2001 enacted level, and an increase of \$50,000,000 above the budget request. This program cost-effectively meets long-term health care needs of veterans. The Committee notes the need for State home beds is expected to double by the year 2010, and there is a backlog of \$285,000,000 in priority one projects.

*Long-term care needs of veterans on Hawaii Island.*—The Committee is concerned that the long-term care needs of the “mandated VA eligible” veterans on the Island of Hawaii are not being met. The Committee therefore urges VA to work with the State of Hawaii Health Care Corporation (HHSC) to assess veterans’ long-term care needs and to make recommendations on the most cost-effective means of providing a State veterans home, including the options of leasing existing health facilities, repairing and upgrading existing health facilities, or new construction. VA, together with HHSC, should report to the Committee with joint recommendations, inclusive of costs, no later than March 1, 2002.

#### GRANTS FOR THE CONSTRUCTION OF STATE VETERANS’ CEMETERIES

Appropriations, 2001 .....	\$24,945,000
Budget estimate, 2002 .....	25,000,000
Committee recommendation .....	25,000,000



## PROGRAM DESCRIPTION

Public Law 105–368, amended title 38 U.S.C. 2408, which established authority to provide aid to States for establishment, expansion, and improvement of State veterans’ cemeteries which are operated and permanently maintained by the States. This amendment increased the maximum Federal Share from 50 percent to 100 percent in order to fund construction costs and the initial equipment expenses when the cemetery is established. The States remain responsible for providing the land and for paying all costs related to the operation and maintenance of the State cemeteries, including the costs for subsequent equipment purchases.

## COMMITTEE RECOMMENDATION

The Committee recommends \$25,000,000 for grants for construction of State veterans’ cemeteries in fiscal year 2002, \$55,000 above the fiscal year 2001 enacted level and the same as the budget request.

*Fort Stanton State Cemetery, New Mexico.*—The Committee encourages the Department to work with the State of New Mexico as the State applies for a grant for the Fort Stanton Cemetery.

## ADMINISTRATIVE PROVISIONS

The Committee has included 7 administrative provisions (Sections 101–107) carried in earlier bills. Included is a provision (Section 107) enabling VA to use surplus earnings from the national service life insurance, U.S. Government life insurance, and veterans special life insurance programs to administer these programs. This provision was included for the first time in fiscal year 1996 appropriations legislation. The Department estimates that \$37,170,000 will be reimbursed to the “General operating expenses” account as a result of this provision.

The Committee has included two new administrative provisions. Included is bill language (Section 108) allowing, for fiscal year 2002 only, the reimbursement of the Office of Resolution Management (ORM) and the Office of Employment Discrimination Complaint Adjudication (OEDCA) for services provided, from funds in any appropriation for salaries and other administrative expenses. The Committee has agreed to this provision on a 1 year trial basis, rather than as permanent authority as was requested by the Administration. In past years, the Committee has rejected this proposal, and instead, provided transfer authority from medical care, NCA, and OIG appropriations. The Committee directs the VA to provide a report no later than March 1, 2002, on the effects of this provision on the level of service provided by ORM and OEDCA as compared to the previous 5 fiscal years.

Also included is a new provision (Section 110) to extend the VA’s Franchise Fund pilot program.

## TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Appropriations, 2001 .....	\$28,527,836,000
Budget estimate, 2002 .....	30,580,617,000
Committee recommendation .....	31,019,494,000

### GENERAL DESCRIPTION

The Department of Housing and Urban Development [HUD] was established by the Housing and Urban Development Act (Public Law 89–174), effective November 9, 1965. This Department is the principal Federal agency responsible for programs concerned with the Nation’s housing needs, fair housing opportunities, and improving and developing the Nation’s communities.

In carrying out the mission of serving the needs and interests of the Nation’s communities and of the people who live and work in them, HUD administers mortgage and loan insurance programs that help families become homeowners and facilitate the construction of rental housing; rental and homeownership subsidy programs for low-income families who otherwise could not afford decent housing; programs to combat discrimination in housing and affirmatively further fair housing opportunity; programs aimed at ensuring an adequate supply of mortgage credit; and programs that aid neighborhood rehabilitation, community development, and the preservation of our urban centers from blight and decay.

HUD administers programs to protect the homebuyer in the marketplace and fosters programs and research that stimulate and guide the housing industry to provide not only housing, but better communities and living environments.

### COMMITTEE RECOMMENDATION

The Committee recommends for fiscal year 2002 an appropriation of \$31,019,494,000 for the Department of Housing and Urban Development. This is an increase of \$2,491,658,000 above the fiscal year 2001 enacted level and an increase of \$438,877,000 above the budget request.

### HOUSING CERTIFICATE FUND

#### (INCLUDING RECISSION AND TRANSFERS OF FUNDS)

Appropriations, 2001 .....	<sup>1</sup> \$13,910,237,000
Budget estimate, 2002 .....	15,717,392,000
Committee recommendation .....	<sup>2</sup> 15,658,769,000

<sup>1</sup> Includes an advance appropriation of \$4,190,760,000 for fiscal year 2001.

<sup>2</sup> Includes an advance appropriation of \$4,200,000,000 for fiscal year 2002.

## PROGRAM DESCRIPTION

This account provides funding for the section 8 programs, including vouchers, certificates, and project-based assistance. Section 8 assistance is the principal appropriation for Federal housing assistance, with almost 3 million families assisted under section 8. Under these programs, eligible low-income families pay 30 percent of their adjusted income for rent, and the Federal Government is responsible for the remainder of the rent, up to the fair market rent or some other payment standard.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$15,658,769,000, of which \$15,506,746,000 shall be used to fund expiring section 8 contracts including the costs of enhanced vouchers for families that choose to continue to live in multifamily housing in which a mortgage is refinanced and the housing was previously eligible for the Preservation Program, as well as in certain circumstances where owners of assisted multifamily housing opt-out of the section 8 program. Consistent with the budget resolution, this account includes an advance appropriation of \$4,200,000,000 for the remainder costs of contracts renewed in fiscal year 2002 for the months requiring section 8 assistance during fiscal year 2003.

Other activities eligible for funding under this account include the conversion of section 23 projects to assistance under section 8, the family unification program, and the relocation of witnesses in connection with efforts to fight crime in public and assisted housing pursuant to a law enforcement or prosecution agency.

In addition, the Committee believes that section 8 tenant-based assistance provides a needed opportunity for disabled families to have a more diverse housing choice with an opportunity to mainstream into a community of their choice. In cases where elderly public housing and assisted housing projects are designated as elderly-only, it is expected that up to \$40,000,000, be used to provide needed section 8 tenant-based housing assistance for disabled families that would otherwise be served by public and assisted housing.

The Committee also directs HUD to identify in its fiscal year 2003 budget justification the renewal costs associated with each project-based section 8 program, such as the section 8 moderate rehabilitation program and the section 515 program.

The Committee includes \$98,623,000 for 17,000 additional, incremental vouchers instead of the Administration's request of \$197,246,000 for 34,000 incremental vouchers. The reduction from the Administration's request reflects the concerns of the Committee that vouchers do not always provide the best opportunities for low-income families to obtain affordable housing. The Committee also remains concerned that the Department has not addressed the many inefficiencies in the Section 8 program that interfere with the ability of families to use vouchers effectively to obtain affordable housing. These incremental vouchers are to be made available on a fair share basis to public housing authorities that have no less than a 97 percent vacancy rate to ensure that this assistance is provided to areas with the greatest need. The Department is ex-

pected to distribute this assistance within 90 days of enactment of this legislation.

In particular, the Congress and the Administration need to address increasing concerns that section 8 (tenant-based) vouchers do not always provide real rental choice for assisted families. Instead, because of market distortions in how section 8 rents are calculated, families with vouchers often have little choice in their rental decisions, leaving them often in low-income and very low-income neighborhoods and living in substandard housing. In a number of cases, families with vouchers are unable to use their vouchers to obtain affordable housing.

The Committee urges the Administration to consider new approaches to the development of affordable housing, especially for extremely low-income families who have incomes at or below 30 percent of area medium income. These new approaches should include additional funding for new construction, tax incentives for housing production and preservation and new multifamily housing insurance products. The Committee reminds HUD that its 2000 Worst Case Housing Needs study reported a record high of 5.4 million households (some 600,000 more households with worst case housing needs than there were in 1991) have incomes that are below 50 percent of local median income and pay at least one-half of their income in rent.

The bill includes a rescission of \$615,000,000 from excess section 8 funds in fiscal year 2002. The Committee has also included bill language that would rescind and transfer any additional excess section 8 funds above the amount rescinded in the bill. The Committee directs that the recaptured funds would be transferred on a pro-rata basis to HUD's "HOME Investment Partnership Program" account, the "Housing for Special Populations" account, the National Science Foundation's "Research and Related Activities" account, and the National Aeronautics and Space Administration's "Science, Aeronautics, and Technology" account. The Committee has selected these accounts because of its strong commitment to basic science and technology research and the affordable housing needs of extremely low-income families as well as elderly and disabled people.

The Committee is very concerned about HUD's policy to reduce the amount of section 8 reserves held by public housing agencies by one-half. The Committee believes that this reduction may limit the ability of some PHA's to provide section 8 assistance to families with severe housing needs and is counter productive to the reforms made by this Committee in recent years that would make section 8 assistance better utilized.

#### PUBLIC HOUSING CAPITAL FUND

##### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$2,993,400,000
Budget estimate, 2002 .....	2,293,400,000
Committee recommendation .....	2,943,400,000

#### PROGRAM DESCRIPTION

This account provides funding for modernization and capital needs of public housing authorities (except Indian housing authori-

ties), including management improvements, resident relocation and homeownership activities.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$2,943,400,000 for the public housing capital fund, \$650,000,000 more than the budget request and \$50,000,000 less than the fiscal year 2001 enacted level. HUD is prohibited from using any funds under this account as an emergency reserve under section 9(k) of the United States Housing Act of 1937, but is provided up to \$75,000,000 for emergency capital needs.

#### PUBLIC HOUSING OPERATING FUND

Appropriations, 2001 .....	\$3,234,868,000
Budget estimate, 2002 .....	3,384,868,000
Committee recommendation .....	3,384,868,000

#### PROGRAM DESCRIPTION

This account provides funding for the payment of operating subsidies to some 3,050 public housing authorities (except Indian housing authorities) with a total of over 1.2 million units under management in order to augment rent payments by residents in order to provide sufficient revenues to meet reasonable operating costs.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$3,384,868,000 for the public housing operating fund, an increase of \$150,000,000 over the fiscal year 2001 level and the same as the budget request. HUD is prohibited from using any funds under this account as an emergency reserve under section 9(k) of the United States Housing Act of 1937.

The Committee is aware that many public housing authorities are experiencing higher operating costs as a result of higher gas and electricity prices. The proposed increase for this fund should be directed at addressing this issue and encourages HUD to work with the public housing authorities to find long term solutions for dealing with higher utility costs.

Consistent with the terms of the Chicago Housing Authority (CHA) Plan for Transformation, as incorporated in its Moving to Work Agreement with HUD, dated February 6, 2000, as amended, HUD is directed to provide the CHA with the maximum regulatory flexibility in meeting the terms of the agreement.

The Committee has rejected the Administration's proposal to drastically cut public housing capital funds due to its concerns with the significant modernization needs of public housing and potential long-term consequences to housing authorities' bond authority ratings. There are estimates that the modernization backlog of the Nation's public housing is up to \$22,000,000,000. While there exists some unspent capital funds, most of these funds are due to the normal expenditure rate of the program. The Committee directs the Department to report to the Committee within 120 days after the date of the enactment of this act on the long-term capital needs of public housing. This report should include data on the number of

distressed units demolished and units replaced by HOPE VI or other similar activities.

The Committee expects HUD to fund the Puerto Rico Public Housing Authority (PRPHA) in a manner consistent with the funding of all other public housing agencies, as provided in a settlement agreement, dated June 7, 2000, between HUD and the PRPHA. The Committee is optimistic that the PRPHA has taken the beginning steps necessary to address the many problems of fraud and abuse that have plagued the agency in the recent past.

#### DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

Appropriations, 2001 .....	\$309,318,000
Budget estimate, 2002 .....	0
Committee recommendation .....	300,000,000

#### PROGRAM DESCRIPTION

Drug elimination grants are provided to public and Indian housing agencies to combat drug-related crime in and around public housing developments.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$300,000,000 for drug elimination grants for low-income housing, of which \$3,000,000 shall be awarded for technical assistance grants, \$20,000,000 for competitive grants under the New Approach Anti-Drug Program.

The administration has recommended the elimination of this program. However, the Committee believes that this program continues to play an important role in fighting crime and drugs in public housing complexes. In order to maximize the effective use of these dollars, the Committee urges HUD and public housing authorities to coordinate activities funded under this program with appropriate State and local law enforcement agencies to maximize the use of funding to reduce drug activity in public housing.

#### REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING [HOPE VI]

Appropriations, 2001 .....	\$573,735,000
Budget estimate, 2002 .....	573,735,000
Committee recommendation .....	573,735,000

#### PROGRAM DESCRIPTION

The "Revitalization of severely distressed public housing" account is intended to make awards to public housing authorities on a competitive basis to demolish obsolete or failed developments or to revitalize, where appropriate, sites upon which these developments exist. This is a focused effort to eliminate public housing which was, in many cases, poorly located, ill-designed, and not well constructed. Such unsuitable housing has been very expensive to operate, and not possible to manage in a reasonable manner due to multiple deficiencies.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$573,735,000 for the "HOPE VI" account, the same as the budget request and the same as the fiscal year 2001 enacted level. The Committee urges the Department to continue funding innovative projects that work both as public and mixed-income housing as well as building blocks to revitalizing neighborhoods.

The Committee remains concerned about the future of this program once the Department meets its goal of demolishing 100,000 public housing units by the end of 2003. The Department is directed to advise the Committee on what form this program should take after 2003. The Committee recognizes the enormous progress that has been made under this program in eliminating the most severely distressed public housing. However, the Committee notes that a significant number of severely distressed units still exist with just one year left before the program's authorization expires. Therefore, the Committee directs HUD to give priority to eliminating the most severely distressed units in urban areas and provide sufficient funding for demolition of such units in the fiscal year 2002 grant awards.

While HOPE VI has been successful at eliminating severely distressed public housing, the Committee notes the growing trend of concentrating public housing residents in private housing through the use of Section 8 vouchers. In some areas, high rise buildings and smaller multi-family units are occupied almost exclusively by Section 8 voucher holders. In effect, these units have become public housing by proxy. If these units were public housing, they would be eligible for HOPE VI grants. However, as privately owned units, they are not eligible for HOPE VI grants.

Like their public housing counterparts, many of these high rises and multi-family units can be transformed into newer, mixed income developments that offer higher quality affordable housing and supportive services similar to the HOPE VI program for public housing. The Committee urges HUD to examine this housing trend in the context of re-authorizing the HOPE VI program and provide the Committee with guidance on how to apply HOPE VI principles to privately owned housing that depends exclusively upon Section 8 residents for income, operating and capital expenses.

## NATIVE AMERICAN HOUSING BLOCK GRANT

## (INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2001 .....	\$648,570,000
Budget estimate, 2002 .....	648,570,000
Committee recommendation .....	648,570,000

## PROGRAM DESCRIPTION

This account funds the native American housing block grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). This program provides an allocation of funds on a formula basis to Indian tribes and their tribally designated housing entities to help them address the housing needs within their communities. Under this block grant, Indian tribes will use performance measures and

benchmarks that are consistent with the national goals of the program, but can base these measures on the needs and priorities established in their own Indian housing plan.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$648,570,000 for the native American housing block grant, of which \$5,987,000 is set aside for a credit subsidy for the section 601 Loan Guarantee Program. The Committee recommendation is the same as the budget request and the fiscal year 2001 enacted level.

The Committee remains concerned about the implementation by the administration of the native American housing block grant and the potential risk of problems within such a new and complex program. The Committee reminds HUD that it is required to report on the implementation of this program to the Committee on a semi-annual basis, including recommendations to ensure that the native American housing block grant program meets the needs of this population.

The Committee believes that training and technical assistance in support of NAHASDA should be shared, with \$2,200,000 to be administered by the National American Indian Housing Council (NAIHC) and \$5,000,000 by HUD in support of the inspection of Indian housing units, contract expertise, training and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance.

#### INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

##### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$5,987,000
Budget estimate, 2002 .....	5,987,000
Committee recommendation .....	5,987,000

##### PROGRAM DESCRIPTION

This program provides access to private financing for Indian families, Indian tribes and their tribally designated housing entities who otherwise could not acquire housing financing because of the unique status of Indian trust land. As required by the Federal Credit Reform Act of 1990, this account includes the subsidy costs associated with the loan guarantees authorized under this program.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$5,987,000 in program subsidies to support a loan guarantee level of \$234,283,000. This is the same as the fiscal year 2001 enacted level and the budget request.

#### NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND

##### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$0
Budget estimate, 2002 .....	0
Committee recommendation .....	1,000,000



## PROGRAM DESCRIPTION

This program provides access to private financing for Native Hawaiians who otherwise could not acquire housing financing because of the unique status of the Hawaiian Home Lands as trust land. As required by the Federal Credit Reform Act of 1990, this account includes the subsidy costs associated with the loan guarantees authorized under this program.

## COMMITTEE RECOMMENDATIONS

The Committee recommends \$1,000,000 in program subsidies to support a loan guarantee level of \$40,000,000.

## COMMUNITY PLANNING AND DEVELOPMENT

## HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS [HOPWA]

Appropriations, 2001 .....	\$257,432,000
Budget estimate, 2002 .....	277,432,000
Committee recommendation .....	277,432,000

## PROGRAM DESCRIPTION

The Housing Opportunities for Persons with AIDS [HOPWA] Program is designed to provide States and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons living with HIV/AIDS and their families.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$277,432,000 for this program, \$20,000,000 above the fiscal year 2001 enacted level and the same as the budget request.

The Committee also requires HUD to allocate these funds in a manner designed to preserve existing HOPWA programs to the extent those programs are determined to be meeting the needs of persons with AIDS in a manner consistent with the requirements of the HOPWA program.

## OFFICE OF RURAL HOUSING AND ECONOMIC DEVELOPMENT

Appropriations, 2001 .....	\$25,000,000
Budget estimate, 2002 .....	0
Committee recommendation .....	25,000,000

## PROGRAM DESCRIPTION

The Office of Rural Housing and Economic Development was established to ensure that the Department has a comprehensive approach to rural housing and rural economic development issues. The account includes funding for technical assistance and capacity building in rural, underserved areas, and grants for Indian tribes, State housing finance agencies, State economic development agencies, rural nonprofits and rural community development corporations to pursue strategies designed to meet rural housing and economic development needs.

## COMMITTEE RECOMMENDATION

The Committee recommends \$25,000,000 for the Office of Rural Housing and Economic Development for fiscal year 2002 to support housing and economic development in rural communities as defined by USDA and HUD. This funding level is the same as the fiscal year 2001 level and \$25,000,000 above the budget request. HUD is directed to administer this program according to existing regulatory requirements. It is expected that any changes to the program shall be made subject to notice and comment rulemaking.

## EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES

Appropriations, 2001 .....	\$199,560,000
Budget estimate, 2002 .....	150,000,000
Committee recommendation .....	75,000,000

## PROGRAM DESCRIPTION

The Empowerment Zones/Enterprise Communities (EZ/EC) program was authorized under the Omnibus Budget Reconciliation Act of 1993. The Taxpayer Relief Act of 1997 later authorized two additional Round I urban EZs and 15 Round II urban EZs. This inter-agency initiative is designed to create self-sustaining, long-term development in distressed urban and rural areas throughout the Nation. The program utilizes a combination of Federal tax incentives and flexible grant funds to reinvigorate communities that have been in decline for decades.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$75,000,000 for this program, \$124,560,000 less than the fiscal year 2001 enacted level and \$75,000,000 less than the budget request. These funds will be distributed to communities that recently received a second round EZ designation. The Committee remains concerned that the previous Administration acknowledged that this program was intended to be funded as a mandatory program and not as an obligation of this bill. The Committee urges the Senate Finance Committee to fund this program as mandatory, as promised. Moreover, the Committee is concerned about the lack of oversight and accountability with regard to these funds and directs the HUD IG to develop a task force to review the use of EZ funds with a report to Congress by July 31, 2002.

## COMMUNITY DEVELOPMENT FUND

## (INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2001 .....	\$5,112,406,000
Budget estimate, 2002 .....	4,801,993,000
Committee recommendation .....	5,012,993,000

## PROGRAM DESCRIPTION

Under title I of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award block grants to units of general local government and States for the funding of local community development programs. A wide range of

physical, economic, and social development activities are eligible with spending priorities determined at the local level, but the law enumerates general objectives which the block grants are designed to fulfill, including adequate housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate income. Grant recipients are required to use at least 70 percent of their block grant funds for activities that benefit low- and moderate-income persons.

Funds are distributed to eligible recipients for community development purposes utilizing the higher of two objective formulas, one of which gives somewhat greater weight to the age of housing stock. Seventy percent of appropriated funds are distributed to entitlement communities and 30 percent are distributed to nonentitlement communities after deducting designated amounts for special purpose grants and Indian tribes. Pursuant to the Cranston-Gonzalez National Affordable Housing Act, Indian tribes are eligible to receive 1 percent of the total CDBG appropriation, on a competitive basis.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$5,012,993,000 for the Community Development Block Grant [CDBG] program in fiscal year 2002. This is an increase of \$211,000,000 above the budget request for fiscal year 2002, but \$99,413,000 below the fiscal year 2001 level.

Set-asides under CDBG include \$71,000,000 for native Americans; \$3,000,000 for the Housing Assistance Council; \$2,600,000 for the National American Indian Housing Council; \$4,000,000 to support Alaska Native-Serving Institutions and Native Hawaiian-Serving Institutions; \$3,000,000 for competitive grants awarded to Tribal Colleges and Universities to build, expand, renovate, and equip their facilities; \$25,000,000 for the National Community Development Initiative and \$45,500,000 for section 107 grants, including \$3,000,000 for community development work study, \$11,000,000 for historically black colleges and universities, \$10,000,000 for assistance authorized under the Hawaiian Homelands Homeownership Act of 2000, \$8,000,000 for insular areas \$7,500,000 for Hispanic-serving institutions and \$80,000,000 for community technology centers.

The Committee has provided \$80,000,000 to create or expand computer technology centers in low-income areas to help individuals and families cross the digital divide. The Committee notes that HUD has already created more than 700 computer technology centers in multi-family assisted housing units and HOPE 6 sites throughout the country through the Neighborhood Networks program. The Committee urges HUD to review the best practices from existing computer technology centers and ensure that each recipient has the capacity to properly administer the program over a sustained period of time. This funding shall be awarded on a competitive basis through a Notice of Funding Availability.

In addition, this legislation includes a set-aside of \$140,000,000 within the CDBG program for the Economic Development Initiative (EDI) to finance efforts that promote economic and social revitalization.

At a minimum, the Secretary is directed to fund the following grants as part of the economic development initiative:

\$250,000 for the Boys and Girls Club of Carson City, Nevada to establish a new community center.

\$1,000,000 for the City of Milwaukee, Wisconsin, for the Menominee River Valley redevelopment project.

\$2,000,000 for the Wheeling Park Commission in West Virginia to aid in the construction of the National Training Center for Public Facility Managers.

\$250,000 for Covenant House California, for purchase and renovation of a new facility for the East Bay Street Outreach and Community Service Center.

\$500,000 for the YMCA of Kauai, Hawaii, for construction of a multipurpose community center.

\$500,000 for Concord, New Hampshire to cleanup brownfields.

\$900,000 to the City of Lancaster, Pennsylvania for the development of an entertainment/retail complex which is intended to enhance the economic development provide hundreds of new jobs.

\$300,000 for the Living Classrooms Foundation of Baltimore, Maryland, for expansion of the Workforce Development Center.

\$200,000 to the Vermont Foodbank to for food shelf activities.

\$150,000 for the Shelby County Community Services Agency, of Shelbyville, Illinois, for construction of a child care center.

\$300,000 for Western Carolina University of Cullowhee, North Carolina, for Millennial Campus project.

\$750,000 for the Fells Point Creative Alliance of Baltimore, Maryland, for development of the Patterson Center for the Arts.

\$250,000 for the City of Anderson, South Carolina for the Murray/Franklin Street neighborhood revitalization project.

\$400,000 for the Women's Industrial Exchange of Baltimore, Maryland, for redevelopment of Charles Street property.

\$290,000 for the Enterprise Foundation for stabilization and redevelopment efforts in the Forrest Park and Lauraville neighborhoods of Baltimore.

\$500,000 for the City of Davenport, Iowa, for the East Davenport Development Corporation mixed-income housing development.

\$500,000 for the National Federation of the Blind for the development of the National Research and Training Institute for the Blind in Baltimore, Maryland.

\$500,000 for the New Shiloh Community Development Corporation of Baltimore, Maryland, for construction of a multipurpose center.

\$70,000 for St. Ambrose Housing Aid Center of Baltimore, Maryland, for development of a new youth center by the Stadium School Youth Dreamers.

\$1,000,000 for Urban Strategies for the construction of affordable, mixed-income housing for disabled individuals in the Central West End area of the City of Saint Louis, Missouri.

\$500,000 for Way Station, Inc., of Frederick, Maryland, for development of the Way Station Community Mental Health and National Education Center.

\$300,000 for the Ruth Enlow Library System of Garrett County, Maryland, for construction of the new Grantsville Branch library.

\$500,000 for the Montgomery County Department of Housing and Community Affairs, Maryland, for streetscaping and revitalization efforts in Wheaton.

\$500,000 for the Montgomery County Department of Housing and Community Affairs, Maryland, for the Stewartown Homes digital divide initiative.

\$150,000 for the Rural Development Center, University of Maryland Eastern Shore, for economic development efforts of Delmarva Low Impact Tourism Experiences.

\$2,000,000 for the Webster County Development Authority for construction of a high technology office building and small business incubator in Webster County, West Virginia.

\$1,000,000 for the West Central Community Center of Spokane, Washington, for site acquisition and preparation related to the expansion of childcare facilities.

\$350,000 for Bethany College in West Virginia to complete work on a health and wellness center

\$1,000,000 for the City of DeQueen, Arkansas for the development of a cultural awareness center.

\$150,000 for Asian Human Services of Chicago, Illinois, to expand its community empowerment programs.

\$750,000 for the Boys and Girls Club of Hawaii to establish three new Boys and Girls Clubs of Hawaii in the Hawaiian homestead areas of Papakolea, Nanakuli and Paukukalo.

\$200,000 for the County of Maui, Hawaii for restoration of the Iao Theater in Wailuku Town.

\$300,000 for the County of Kauai, Hawaii, for the Heritage Trails project.

\$500,000 for the YMCA of Honolulu, Hawaii, for reconstruction and expansion of the Kalihi YMCA facility.

\$300,000 for the Union Gospel Mission in Sioux Falls, South Dakota, for renovations to the historic Farley Lostcher building.

\$500,000 for the City of Charleston, South Carolina's Homeownership Initiative to create affordable housing opportunities.

\$750,000 for infrastructure improvements to the School of the Building Arts in Charleston, South Carolina.

\$500,000 for Spoleto Festival, USA, of Charleston, South Carolina, for rehabilitation of the historic Middleton-Pinckney House.

\$500,000 for the Vermont Housing and Conservation Board for development of affordable housing at Macauley Square.

\$300,000 for the Brattleboro Arts Initiative of Brattleboro, Vermont, for the rehabilitation of the historic Latchis Theatre and Community Arts Center.

\$500,000 for the State of Iowa for the Main Street Program.

\$500,000 for the City of Council Bluffs, Iowa, for the Katelman neighborhood redevelopment project.

\$3,000,000 for Shepherd College in Sheperdstown, West Virginia, to complete the renovation of the Scarborough Library.

\$1,000,000 for the Sea Island Comprehensive Health Care Corporation, Inc., of Johns Island, South Carolina, for affordable housing and economic development purposes.

\$350,000 for the George D. Aiken Resource Conservation and Development Council of Randolph, Vermont for the purchase of equipment.

\$500,000 for the City of Des Moines, Iowa, for brownfields redevelopment.

\$500,000 for City of Waterloo, Iowa, for brownfields redevelopment.

\$500,000 for the Kennedy Krieger Institute of Baltimore, Maryland, for development of a new community behavioral health center.

\$100,000 for development assistance for Desert Space Station in Nevada.

\$750,000 for the Reno, Nevada, housing authority for the Friendship Lane housing revitalization project.

\$500,000 for the City of Cedar Rapids, Iowa, for brownfields revitalization.

\$700,000 for development of a job training facility for workers in the hospitality industry in Las Vegas, Nevada.

\$750,000 for the Smart Start Child Care Center and Expertise School of Las Vegas, Nevada, for construction of a child care facility.

\$250,000 for the Intertribal Council of Nevada to establish a housing division.

\$500,000 for the City of Madison, Wisconsin to develop affordable low income housing.

\$2,000,000 for the Lake Champlain Science Center in Burlington, Vermont for facility construction and rehabilitation.

\$200,000 for the City of Beloit, Wisconsin for urban renewal activities.

\$200,000 for Adams County, Wisconsin for the construction of an industrial park.

\$175,000 for the Centro de la Comunidad Unida in Wisconsin for construction of an alternative school for at risk students.

\$175,000 for the African American World Cultural Center in Wisconsin for construction.

\$100,000 for Fairness in Rural Lending in Wisconsin for the Community Lender Partnership Initiative.

\$1,000,000 for the City of Bellingham, Washington, for the Holly Street landfill redevelopment project.

\$1,000,000 for the Port of Ridgefield of Ridgefield, Washington for brownfields redevelopment.

\$1,000,000 for the Rural Economic Area Partnerships (REAP) Zones to build on and leverage economic development opportunities in North Dakota.

\$900,000 for Sitting Bull College in Fort Yates, North Dakota for construction of a new science facility.

\$1,000,000 for Churchs Ferry, North Dakota, to relocate agricultural structures.

\$400,000 for Lewis and Clark Community Works of North Dakota, for a rural housing development fund.

\$50,000 for the Eau Claire Area Industrial Development Corporation, Wisconsin, for the Chippewa Valley Technology Network.

\$750,000 for the West Angeles Community Development Corporation of Los Angeles, California, for development of the West Angeles Plaza.

\$500,000 for the County of Tulare, California, for development of the Dinuba regional vocational training facility.

\$750,000 for the City of East Palo Alto to redevelop the Ravenswood industrial area.

\$250,000 for the City of Oceanside, California for the Crown Heights neighborhood revitalization project.

\$250,000 for the Martin Luther King, Jr. Freedom Center of Oakland, California, for facility construction.

\$500,000 for the City of Moline, Illinois, for riverfront redevelopment efforts in Moline, East Moline, and Rock Island.

\$500,000 for Christopher House of Chicago, Illinois, for construction of a family resource center.

\$200,000 for McHenry County, Illinois, for economic development along the Fox River.

\$350,000 for Career Transitions Center of Chicago, Illinois, for property acquisition and rehabilitation to develop a social services outreach facility.

\$300,000 for Casa Central of Chicago, Illinois, for expansion of a community technology center facility and services.

\$150,000 for Catholic Urban Programs of East St. Louis, Illinois to expand its emergency housing facility.

\$175,000 for the Quincy, Illinois, Housing Authority to expand its community center facilities.

\$225,000 for the Back of the Yards Council of Chicago, for expansion of a community youth center and related programs.

\$1,000,000 for the Santa Fe Rape Crisis Center to construct a new facility to house the center, including outreach planning offices.

\$500,000 to the American Village for the construction of Federal Hall and the Liberty Square Expansion in Montevallo, Alabama.

\$150,000 for American Lung Association of Illinois' for technology upgrades for the Tobacco Quitline and veterans outreach programs.

\$150,000 for the World War II Illinois Veterans Memorial of Springfield, Illinois, for construction.

\$400,000 for the City of Watertown, South Dakota, for a community revitalization project.

\$300,000 for the Flandreau Development Corporation of Flandreau, South Dakota, for infrastructure related to the Flandreau industrial park development.

\$300,000 for South Dakota School of Mines and Technology of Rapid City, South Dakota, for renovations and rehabilitation related to the development of the Rapid City Children's Science Center.

\$400,000 for the City of Brookings, South Dakota, for renovations and rehabilitation to the historic Brookings Middle School.

\$250,000 for the Center Theatre Group, of Los Angeles, California, for the Culver City Theater project.

\$300,000 for Campbell County, South Dakota, for economic development activities.

\$1,000,000 for the Louisiana Department of Culture, Recreation, and Tourism for development activities related to the Louisiana Purchase Bicentennial Celebration.

\$500,000 for the Audubon Nature Institute, Inc., of New Orleans, Louisiana, for development of the Living Science Museum.

\$300,000 for the City of Shreveport, Louisiana, for development supporting infrastructure for its Convention Center and Downtown Redevelopment project.

\$400,000 for the City of Vidalia for construction of the Gateway Center at the Vidalia riverfront.

\$200,000 for the Mirabeau Family Learning Center, Inc., of New Orleans, Louisiana, for expansion of facilities and services.

\$200,000 for Kingsley House, Inc., of New Orleans, Louisiana, for facility and service expansion.

\$200,000 for Booker T. Community Outreach, Inc., of Monroe, Louisiana, for an elderly living center.

\$250,000 for the City of Donaldsonville, Louisiana, for riverfront development.

\$250,000 for Dillard University of New Orleans, Louisiana, the International Center for Economic Freedom project.

\$1,000,000 for Traveler's Aid of Rhode Island for relocation and expansion in Providence, Rhode Island.

\$500,000 for Town of Johnston, Rhode Island for rehabilitation of a senior center.

\$450,000 for the City of Providence, Rhode Island for the development of a Botanical Center at Roger Williams Park and Zoo.

\$450,000 for the Providence Performing Arts Center for building modernization in Providence, Rhode Island.

\$200,000 for Cornerstone Adult Services in Warwick, Rhode Island for the construction of an Alzheimer's day center.

\$350,000 for the Herreshoff Marine Museum in Bristol, Rhode Island to restore and expand a maritime heritage museum.

\$100,000 for the Institute for the Study and Practice of Non-violence in Providence, Rhode Island for construction of a community center.

\$300,000 for the City of Sheboygan, Wisconsin to demolish an old manufacturing building.

\$100,000 for the South Providence Development Corporation in Providence, Rhode Island for the development of a recycling facility.

\$200,000 for the Newport Art Museum in Newport, Rhode Island for historical renovation.



\$50,000 for the Rhode Island Jewish War Veterans for a veterans memorial.

\$50,000 for the City of Providence, Rhode Island, for inner city recreational facilities.

\$500,000 for the Sioux Falls, South Dakota, Development Foundation for development of a facility that will support technology-based businesses.

\$250,000 for the Lake Area Improvement Corporation of Madison, South Dakota, for development of the Madison Technical Center.

\$700,000 for the City of Miami, Florida, Model Homeownership Zone Pilot Project.

\$500,000 for North Central Regional Water Commission in Unionville, Missouri for planning and design of water supply reservoir project.

\$350,000 for Covenant House, Florida, Inc., for transitional housing.

\$750,000 for TechRanch of Bozeman, Montana, for development of a technology incubator for the Gallatin area and Eastern Montana.

\$750,000 for the YMCA of Delaware for renovations to the Central Branch YMCA.

\$300,000 for the Boys and Girls Club of Delaware for facility construction and renovation.

\$750,000 for the City of St. Louis, Missouri, for development of the Forest Park Master Plan.

\$400,000 for the Tubman African American Museum in Macon, Georgia for construction of the Tubman African American Museum.

\$350,000 for Rockdale County, Georgia, for construction of Georgia's Veterans Park.

\$400,000 for the City of Lawrence, Massachusetts, for economic development activities.

\$350,000 for Fitchburg State College, of Fitchburg Massachusetts, for the development of a new technology center.

\$750,000 for Focus: HOPE of Detroit, Michigan, for facility renovation.

\$250,000 for the City of Wildwood, New Jersey, for revitalization of the Pacific Avenue Business District.

\$250,000 for the Township of Hamilton, New Jersey, for renovations of a senior center.

\$250,000 for the New Jersey Community Development Corporation, of Paterson, New Jersey, for redevelopment of abandoned property.

\$750,000 for the City of St. Paul, Minnesota, for the Phalen Village Superblock project.

\$750,000 for the Vermont Institute of Natural Science of Woodstock, Vermont to support construction of a public education and wildlife rehabilitation facility in Quechee, Vermont.

\$750,000 for the Vermont Housing and Conservation Board for the development of affordable housing in Vermont.

\$150,000 for the Charlestown, Massachusetts, Boys and Girls Club for facility renovations.

\$150,000 for the Haskell Free Library for repairs to this historic building located in Derby Line, Vermont.

\$400,000 to Polytechnic University, Brooklyn for the National Center for E-Commerce.

\$150,000 to the Long Island Housing Partnership, Long Island for neighborhood revitalization.

\$250,000 to the Lesbian and Gay Community Services Center, New York City for infrastructure upgrades.

\$200,000 to the City of Canandaigua, New York, for Lagoon Park development.

\$450,000 to Union College, of Albany, New York for the Union-Schenectady Neighborhood Initiative.

\$200,000 to the City of Hornell, New York, for restoration of the historic depot.

\$150,000 to the Natural History Museum of the Adirondacks in Tupper Lake, New York, for building construction.

\$200,000 to the City of Albany, New York, for the Corning Park Revitalization Project.

\$300,000 for Community Medical Centers of Fresno, California, for renovations to the Fresno Community Regional Medical Center.

\$300,000 for the City of Renton, Washington, for the Port Quendall brownfields redevelopment project.

\$300,000 for Studio for the Arts of Pocahontas, Arkansas, for a new facility.

\$300,000 for Wayne County, Michigan, for construction of the Community Kitchen project.

\$300,000 for the City of Jeffersonville, Indiana, for redevelopment of the Quartermaster Depot.

\$300,000 for the Rio Grande Community Development Corporation, of Albuquerque, New Mexico, for construction of the South Valley Economic Development Center.

\$300,000 for the Borough of Paulsboro, New Jersey, for brownfields redevelopment.

\$300,000 for the Mesabi Academy and Martin Hughes School of Buhl, Minnesota, for facility renovation and program expansion.

\$300,000 for Connecticut Hospice, Inc., of Branford, Connecticut, for construction of a new facility.

\$300,000 for the Southside Institutions Neighborhood Alliance of Hartford, Connecticut, for neighborhood revitalization in Hartford.

\$700,000 for the McDowell County Commission to complete the repair and restoration of the Kimball War Memorial in Kimball, West Virginia.

\$1,000,000 for the Southern New Mexico Fair and Rodeo in Dona Ana County for infrastructure improvements and to build a multi-purpose event center.

\$1,000,000 for the Clearwater Economic Development Association for the implementation of the Lewis and Clark Bicentennial plan.

\$150,000 for Fall River, Massachusetts, for the Iwo Jima project.

\$300,000 for Covenant House Georgia, to purchase and renovate a new community service center in Atlanta, Georgia.

\$300,000 for the Northeast Family Center of Lincoln, Nebraska, for facility renovations.

\$300,000 for Dalles, Oregon, for development of the Dalles Fiber Optic Loop.

\$1,500,000 for the Municipality of Anchorage, Alaska for the expansion of the Alaska Zoo.

\$1,500,000 for Alaska Pacific University for the restoration of a historic property in Anchorage, Alaska.

\$300,000 for the City of Appleton, Wisconsin for the reconstruction of College Avenue.

\$1,250,000 for the United Way community services facility in Anchorage, Alaska to complete construction of a social service facility to serve low-income people.

\$990,000 for Catholic Community Services for its Adult Day Care facility in Juneau, Alaska to provide day care for the elderly persons.

\$2,250,000 for Fairbanks, Alaska to provide winter recreation opportunities for military and civilian persons at the Fairbanks North Star Borough Birch Hill recreation area.

\$1,000,000 for Albuquerque Health Care for the Homeless to complete renovation of a health care facility for the homeless in Albuquerque.

\$450,000 for Curry County, New Mexico for infrastructure improvements to the Curry County Fairgrounds.

\$750,000 for the City of Brewer, Maine for the redevelopment of its waterfront.

\$1,000,000 for the City of Lewiston, Maine for the funding of a community and economic development center.

\$1,000,000 for the Wiscasset Regional Development Corporation for the Maine Yankee Power Plant Reuse Initiative.

\$1,000,000 for the City of Dayton, Ohio for the revitalization of historic main Street.

\$1,000,000 for Dubuque, Iowa for the development of an American River Museum.

\$1,000,000 for the Greater El Paso, Texas Chamber of Commerce for a local economic development initiative for the creation of jobs and housing.

\$500,000 for the City of Wichita Falls, Texas for the restoration of the old Holt Hotel property.

\$150,000 for Pell-Chafee Performance Center in Providence, Rhode Island to complete construction.

\$1,000,000 for the City of Fort Worth, Texas for the redevelopment of a residential and commercial center along Hemphill Street.

\$1,000,000 for Sevier County, Utah for a multi-events center.

\$800,000 for the City of West Jordan, Utah for the development of a senior citizens center.

\$500,000 for Milford, New Hampshire for downtown revitalization.

\$1,000,000 for the City of Nashua, New Hampshire to create housing opportunities.

\$650,000 for the City of Espanola, New Mexico, to build a veterans memorial.

\$500,000 for Keene, New Hampshire to cleanup brownfields.

\$400,000 to the City of Reading, Pennsylvania for the development of the Morgantown Road Industrial Park on what is currently a brownfields site.

\$300,000 for the expansion of facilities of the Re Place at Good Shepard Home, Lehigh County, Pennsylvania which will provide employment opportunities for persons with mental and physical challenges in sales, business administration, mechanical repair, janitorial skills and computer refurbishing.

\$100,000 to the Borough of Millerstown, Perry County, Pennsylvania for improvements to the Borough Municipal Building, which will allow the Borough to implement several community programs including substance abuse deterrent programs and clinics, Scouting programs as well as senior informational programs and facilities.

\$300,000 to the Ogontz Avenue Revitalization Corporation, Philadelphia, Pennsylvania, to assist with substantial rehabilitation of 40–50 severely deteriorated vacant properties that will be developed as a part of the West Oak Lane community development rebuilding initiative.

\$50,000 for the Delaware Valley Historical Aircraft Association, Delaware County to complete their building project which will house historic military aircraft presently on outdoor display in Willow Grove, Pennsylvania.

\$300,000 to the City of Philadelphia to support the Neighborhood Transformation Initiative, which will demolish many abandoned homes as well as revitalize the areas.

\$100,000 for the Philadelphia Zoo to expand construction of Children's Zoo.

\$100,000 to Discovery Square, Erie, Pennsylvania for the construction of an educational and cultural complex.

\$200,000 to the Allegheny Housing Authority to construct the Groveton Village Computer/Support Services Center.

\$200,000 to Universal Community Homes, Philadelphia, Pennsylvania to continue the conversion of more than 500 parcels of land into for-sale units to low-and moderate-income families.

\$250,000 to the City of Chester, Pennsylvania for revitalization of its waterfront.

\$200,000 to the Urban Redevelopment Authority of Pittsburgh in conjunction with Northside Properties in Pittsburgh, Pennsylvania to acquire the 332 unit, scattered site affordable housing development with project-based Section 8 rental subsidy.

\$3,500,000 for the University of Louisville for the expansion of its main library.

\$1,000,000 for Wellsville, Ohio for improvements to a river-side transportation center.

\$500,000 for the City of Cleveland, Ohio for the construction of the Cleveland Intercultural Center.

\$1,000,000 for MSU–Billings for the development of the Billings Technology Training and Technology program as a business incubator.

\$1,000,000 for Great Falls, Montana for the Missouri Riverfront Park Enhancement project.

\$750,000 for the City of Chattanooga, Tennessee for the revitalization of the Alton Park neighborhood.

\$1,000,000 for the City of Memphis, Tennessee for the Soulsville Revitalization project.

\$100,000 to the OLYMPIA ship of Independence Seaport Museum to provide ship repairs which will contribute to the economic development of the Penn's Landing waterfront area in Philadelphia.

\$1,000,000 for Sparks, Nevada for the revitalization of the West End community.

\$1,000,000 for the University of Idaho for a performance and education facility.

\$500,000 for the Lewis and Clark State College for the Idaho Virtual Incubator.

\$1,000,000 for the Community Alliance in Omaha, Nebraska for its "Building Homes, Rebuilding Lives" program.

\$500,000 for the Girls and Boys Town USA in Omaha, Nebraska to address the needs of at-risk boys and girls.

\$1,000,000 for Henderson, North Carolina for the construction of the Embassy Cultural Center.

\$1,000,000 for City of Midwest, Oklahoma City for phase II of its tornado recovery.

\$1,000,000 for Jackson County, Mississippi for the construction of a county community center.

\$2,000,000 for the University of Southern Mississippi for its National Center for Excellence in Economic Development, Education, Research and Community Service.

\$300,000 for the Chickasaw Trails Industrial Authority for preliminary planning and engineering for an industrial park.

\$500,000 for Mississippi State University for a state capacity development initiative.

\$1,000,000 for Mississippi State University for the Mississippi Center for Advanced Vehicular Systems and Engineering Extension Facility.

\$1,000,000 for the City of Carmel for its Indiana parks development.

\$500,000 for the Historic Preservation Association of Jasper County, Indiana for the restoration of Drexel Hall.

\$1,000,000 for Hutchison, Kansas for revitalization.

\$400,000 to the Alabama Historical Commission for the renovation of the Historic Green County Courthouse in Green County, Alabama.

\$500,000 to the City of Hamilton, Alabama for the construction of a call center facility.

\$100,000 to the Alabama Wildlife Federation for the development of the Alabama Quail Trail in rural Alabama.

\$500,000 to the Cleveland Avenue YMCA so that they may expand their existing programs to serve more young people in Montgomery, Alabama.

\$350,000 to the Housing Authority of the City of Andalusia to expand their existing preschool programs and facility to accommodate more low-income, high risk children in Andalusia, Alabama.

\$500,000 to the city of Winfield, Alabama for the construction of a call center facility.

\$100,000 to the city of Selma, Alabama for the acquisition of the Lovelady Building on historic Water Avenue in Selma, Alabama.

\$500,000 to the Lakeshore Foundation in Birmingham, Alabama to expand their existing facilities to serve a larger population of Alabamians with physical disabilities.

\$150,000 to Family Connection, Inc. in Alabaster, Alabama to construct a facility to house a new diversionary program for first time juvenile offenders in Shelby County, Alabama.

\$300,000 to the Covington County Commission in Alabama for the construction of the second phase of the Covington County Farm Center.

\$1,000,000 for the Christopher Newport University in Newport News, Virginia for the development of the Christopher Newport University Fine Arts Center.

\$500,000 for the Kaw Valley Center in Vermont, Kansas for infrastructure and community outreach.

\$350,000 for the Urban Development authority of Pittsburgh, Pennsylvania for the Harbor Gardens Greenhouse project.

\$800,000 for the Town of Mountain Village, Colorado for an affordable housing initiative.

\$1,000,000 for the Colorado Mountain Housing Coalition.

\$250,000 for the City of St. Joseph, Missouri for downtown redevelopment project.

\$300,000 for the Central Missouri Lake of the Ozarks Convention and Visitor Bureau community center.

\$250,000 for the Sparta, Missouri Community Development Organization for the development of an industrial park.

\$250,000 for the Cuba, Missouri Tourism Center for the historic district improvement project.

\$300,000 for the City of Fayette, Missouri Downtown revitalization project.

\$500,000 for Downtown West Plains Inc. for City square renovation and downtown revitalization project of West Plains Missouri.

\$1,000,000 for the City of Kansas City Missouri for the City Market renovation project.

\$1,000,000 for the University of Missouri-Kansas City for continued development of it's collaborative Life Sciences Initiative.

\$750,000 for the Filipino Community Center, Inc. of Honolulu, Hawaii to develop a new community center.

\$300,000 for the Perry County Industrial Development Authority to renovate building to serve as a Center for Industry and Education.

\$450,000 for the Rolla Chamber of Commerce for downtown revitalization project.

\$1,000,000 for Eastern Oregon University for construction of a science center.

\$450,000 for the Oregon Food Bank for its food distribution efforts.

\$550,000 for the City of Watertown, South Dakota, for development related to the Hanten Industrial Park.

\$300,000 for Black Hills Community Development Corporation of Lead, South Dakota, for economic development efforts related to the closure of the Homestake Gold Mine.

\$150,000 for the City of Tea, South Dakota, to develop a community library.

\$150,000 for Boulder City, Nevada, for renovation, modernization, and expansion of public recreation facilities.

\$50,000 for the Reno Veterans Memorial Project, of Reno, Nevada, for construction of a memorial.

\$200,000 for the Boys and Girls Club of Pawtucket, Rhode Island, for development of a new facility.

\$100,000 for the Coastal Institute at the University of Rhode Island for development of a sustainable management plan for Narragansett Bay.

\$450,000 for Jackson State University in Jackson, Mississippi, for the renovation of the Margaret J. Walker Alexander Research Center.

\$1,000,000 for Beyond Housing, a St. Louis Missouri non-profit to preserve homes in the Castle Point, Pagedale and NE University City areas.

\$50,000 for Applied Urban Research Institute of Kansas City Missouri for a study to develop a city-wide plan to assist troubled youth.

\$1,000,000 for the City of Denver, Colorado for revitalization.

The Committee includes \$60,000,000 for the Youthbuild program, of which \$10,000,000 is for new programs in underserved and rural areas. In addition, \$2,000,000 is set-aside for capacity building by Youthbuild USA.

The Committee has included up to \$55,000,000 for supportive service contracts, a critical activity.

#### COMMUNITY DEVELOPMENT LOAN GUARANTEES

##### (INCLUDING TRANSFER OF FUNDS)

	Limitation on guarantee loans	Program costs
Appropriations, 2001 .....	\$1,261,000,000	\$29,934,000
Budget estimate, 2002 .....	608,696,000	15,000,000
Committee recommendation .....	608,696,000	15,000,000

#### PROGRAM DESCRIPTION

Section 108 of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary to issue Federal loan guarantees of private market loans used by entitlement and non-entitlement communities to cover the costs of acquiring real property, rehabilitation publicly-owned real property, housing rehabilitation, and other certain economic development activities.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$15,000,000 for program costs associated with the section 108 loan guarantee program. This amount is \$14,936,000 less than the fiscal year 2001 enacted level and equal to the budget request. Of these funds provided, \$14,000,000 is provided for credit subsidy costs to guarantee \$608,696,000 in section 108 loan commitments in fiscal year 2002, and \$1,000,000 is for administrative expenses to be transferred to the Salaries and Expenses account.

## BROWNFIELDS REDEVELOPMENT

Appropriations, 2001 .....	\$24,945,000
Budget estimate, 2002 .....	25,000,000
Committee recommendation .....	25,000,000

## PROGRAM DESCRIPTION

Section 108(q) of the Housing and Community Development Act of 1974, as amended, authorizes the Brownfields Redevelopment program. This program provides competitive economic development grants in conjunction with section 108 loan guarantees for qualified brownfields projects. Grants are made in accordance with Section 108(q) selection criteria. The program supports the cleanup and economic redevelopment of contaminated sites.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$25,000,000 for this program. This amount is \$55,000 above the fiscal year 2001 enacted level and the same as the budget request.

## HOME INVESTMENT PARTNERSHIPS PROGRAM

## (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$1,796,040,000
Budget estimate, 2002 .....	1,796,040,000
Committee recommendation .....	1,796,040,000

## PROGRAM DESCRIPTION

Title II of the National Affordable Housing Act, as amended, authorizes the HOME Investment Partnerships Program. This program provides assistance to States and units of local government for the purpose of expanding the supply and affordability of housing. Eligible activities include tenant-based rental assistance, acquisition, and rehabilitation of affordable rental and ownership housing and, also, construction of housing. To participate in the HOME Program, State and local governments must develop a comprehensive housing affordability strategy [CHAS]. There is a 25-percent matching requirement for participating jurisdictions which can be reduced or eliminated if they are experiencing fiscal distress.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$1,796,040,000 for the HOME Investment Partnership Program. This amount is



the same as the fiscal year 2001 enacted level and the budget request. The Committee includes \$20,000,000 for housing counseling.

The Committee did not include any funds for the Administration's proposed American Dream Downpayment Fund. The Administration proposed cutting the HOME program by \$200,000,000 in fiscal year 2002 to fund the Downpayment Fund. While the Committee supports expanding home ownership opportunities, it does not believe cutting existing programs is the best way to achieve that goal. Furthermore, the Committee notes that downpayment assistance is already permissible under the HOME program and therefore does not require new or additional authorization.

#### HOMELESS ASSISTANCE

##### HOMELESS ASSISTANCE GRANTS

##### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$1,022,745,000
Budget estimate, 2002 .....	1,022,745,000
Committee recommendation .....	1,022,745,000

#### PROGRAM DESCRIPTION

The "Homeless Assistance Grants Program" account is intended to fund the emergency shelter grants program, the supportive housing program, the section 8 moderate rehabilitation single-room occupancy program, and the shelter plus care program.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$1,022,745,000 for homeless assistance grants. The amount recommended is the same as the fiscal year 2001 appropriated level and same as the budget request. In addition, the Committee has provided an additional \$99,780,000 in a separate account for Shelter Plus Care renewals.

The Committee is concerned that a small percentage of homeless people are chronically homeless, defined as having been homeless for at least 2 years, having a chronic disability, and over that time having had regular interaction with costly systems such as emergency shelter, hospital emergency rooms, emergency psychiatric and detoxification facilities, and the corrections system. The Committee believes that HUD and local providers need to increase the supply of permanent supportive housing for chronically homeless, chronically ill people over time until the need is met at an estimated 150,000 units. Accordingly, the Committee is including again a requirement that a minimum of 30 percent of the funds appropriated be allocated to permanent housing to address chronic homelessness. The Committee expects the Department to take this 30 percent requirement seriously and meet this minimum standard. To achieve this important goal, the Committee directs the Department to use the Continuum of Care process to ensure that communities utilize permanent housing funds to target chronically homeless, chronically disabled people and to give them preference in receiving McKinney-Vento homeless funds.

In addition, the Committee is including a 25-percent match requirement for services to maintain a balance between homeless services and the development of permanent housing. The Com-

mittee supports HUD's efforts to transfer the responsibility for services to HHS, leaving the housing component to HUD.

The Committee continues to believe that to address fully homelessness and to make a serious effort in ending homelessness, the involvement of a full range of Federal programs is critical. Accordingly, the Committee has included the budget request of \$500,000 for staffing for the Interagency Council on the Homeless. This money shall be transferred from the HUD budget to the budget of the Executive Office of the President, which shall administer the Interagency Council on the Homeless. The Committee directs that the Council will be under the authority of the Assistant to the President for Domestic Policy within the Executive Office of the President. Members of the Council shall be Cabinet Secretaries, and the Chairmanship of the Council shall rotate among the Secretaries of the following agencies: HUD, HHS, Labor and VA. The members of the Council shall meet at least semi-annually. The purpose of the Council shall be to promote substantive coordination among Federal agencies in order to prevent homelessness, to meet the needs of homeless people, and to pursue reductions in the number of homeless people. The Committee instructs the Council specifically to require HUD, HHS, Labor and VA to quantify the number of their programs participants who become homeless, to address ways in which mainstream programs can prevent homelessness among those they serve, and to describe specifically how they provide assistance to people who are homeless.

The Committee continues to believe that it is critical for the Department to collect and analyze data on homelessness to determine the true number of people that experience homelessness and for what services and assistance are provided to homeless people. The Committee remains supportive of the Department's ongoing data collection and analysis efforts pertaining to its homeless programs. HUD should continue its efforts in working with local jurisdictions on collecting an array of data on homelessness in order to prevent duplicate counting of homeless persons, and to analyze their patterns of use of assistance, including how they enter and exit the homeless assistance system and the effectiveness of the system. The Committee directs HUD to take the lead in working with communities toward this end, and to analyze jurisdictional data within 2 years. Implementation and operation of Management Information Systems (MIS), and collection and analysis of MIS data have been made eligible uses for Supportive Housing Program funds, and have been authorized to be funded under renewal grants even in cases where MIS is a new activity. The Committee directs HUD to report on the progress of this data collection and analysis effort within 90 days after the date of enactment of this Act. This activity should be considered a priority.

The Committee has included bill language to provide \$14,200,000 of the funds provided under this account for technical assistance and homeless information systems. Despite the mandates included in the fiscal year 2001 appropriations legislation, the Department failed to provide sufficient funding to the Office of Special Needs Assistance Programs to develop and implement critically-needed information systems. Accordingly, the Committee directs the Depart-

ment to provide the designated funds to the Office of Special Needs Assistance Programs.

The Committee also directs HUD to spend at least \$1,500,000 of the amount made available for MIS and technical assistance to continue on an annual basis, to report on a nationally representative sample of jurisdictions whose local MIS data can be aggregated yearly to document the change in demographics of homelessness and demand for homeless assistance, to identify patterns in utilization of assistance, and to demonstrate the effectiveness of assistance. The Committee expects HUD to use technical assistance funds to assist in the development of an unduplicated count. The Committee instructs HUD to use these funds to contract with experienced academic institutions to analyze the data and provide annual reports to the Congress on its findings.

The Committee urges the Department to provide funding for the expansion of the Corporation for Supportive Housing's capacity-building activities. The Corporation, one of our nation's most important national housing intermediary organizations, is the only intermediary dedicated to combating chronic homelessness in our communities by expanding the availability of permanent supportive housing. The successes of the Corporation and service-supported housing has been both dramatic and well documented in addressing the condition of homelessness among the nation's most vulnerable residents and successfully breaking the tragic cycle of homeless individuals through shelters, emergency rooms and even jails.

To the extent that State and local jurisdictions receive homeless assistance, HUD is directed to ensure that these jurisdictions pass on at least 50 percent of all administrative funds to the nonprofits administering the homeless assistance programs.

#### SHELTER PLUS CARE

Appropriations, 2001 .....	\$99,780,000
Budget estimate, 2002 .....	99,780,000
Committee recommendation .....	99,780,000

#### PROGRAM DESCRIPTION

The Shelter Plus Care program provides rental housing assistance for homeless persons with disabilities, including tenant-based rental assistance, sponsor-based rental assistance, project-based rental assistance, or SRO assistance. Funding for supportive services is provided from other sources.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$99,780,000 for the Shelter Plus Care renewals on an annual basis for expiring contracts. This funding level is the same as the budget request and the fiscal year 2001 level. The Committee is also concerned about contracts expiring under the permanent housing component of the Supportive Housing Program. Cost estimates for renewing these contracts for 1 year is about \$23,000,000. The Committee, however, has decided to not shift funding for this program to a separate account due to questions about future out-year cost data on contract renewals for Supportive Housing. Accordingly, the Committee directs the Department to include in its fiscal year 2003 budget jus-

tifications, 5-year projections on an annual basis the cost of renewing the permanent housing component of the Supportive Housing Program. Further, the Department should include the same level of details for Shelter Plus Care renewals.

## HOUSING PROGRAMS

### HOUSING FOR SPECIAL POPULATIONS

#### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$993,809,000
Budget estimate, 2002 .....	1,001,009,000
Committee recommendation .....	1,001,009,000

#### PROGRAM DESCRIPTION

This account consolidates the housing for the elderly under section 202; housing for the disabled under section 811; and public housing for Indian families. Under these programs, the Department provides capital grants to eligible entities for the acquisition, rehabilitation, or construction of housing. Twenty-five percent of the funding provided for housing for the disabled is available for tenant-based assistance under section 8.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$1,001,009,000 for development of additional new subsidized housing. Included in this recommendation is \$783,286,000 for capital advances for housing for the elderly (section 202 housing) and \$217,723,000 for capital advances for housing for the disabled (section 811 housing). This is the same as the administration's budget request for fiscal year 2002 and provides an increase of \$4,286,000 for section 202 and \$723,000 for section 811 over the fiscal year 2001 levels. Up to 25 percent of the funding allocated for housing for the disabled can be used to fund section 8 assistance for the disabled.

The section 202 funds include up to \$50,000,000 for the conversion of section 202 housing to assisted living facilities, up to \$50,000,000 for grants for the new construction or substantial rehabilitation of assisted living facilities, and up to \$50,000,000 for service coordinators.

### MANUFACTURED HOUSING FEES TRUST FUND

#### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$0
Budget request, 2002 .....	17,254,000
Committee recommendation .....	17,254,000

#### PROGRAM DESCRIPTION

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by the Manufactured Housing Improvement Act of 2000, authorizes the Secretary to establish Federal manufactured home construction and safety standards for the construction, design, and performance of manufactured homes. All manufactured homes are required to meet the Federal stand-

ards, and fees are charged to producers to cover the costs of administering the Act.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$17,254,000 to support the manufactured housing standards programs to be derived from fees collected and deposited in the Manufactured Housing Fees Trust Fund account. The amount recommended is the same as the budget request. The Committee directs HUD to identify the use of all program fees as part of the fiscal year 2003 HUD Budget Justification.

#### FEDERAL HOUSING ADMINISTRATION

##### FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

###### (INCLUDING TRANSFERS OF FUNDS)

	Limitation on direct loans	Limitation on guaranteed loans	Administrative expenses
Appropriations, 2001 .....	\$250,000,000	\$160,000,000,000	\$330,160,000
Budget estimate, 2002 .....	250,000,000	160,000,000,000	336,700,000
Committee recommendation .....	250,000,000	160,000,000,000	336,700,000

##### FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

###### (INCLUDING TRANSFERS OF FUNDS)

	Limitation on direct loans	Limitation on guaranteed loans	Administrative expenses	Program costs
Appropriations, 2001 .....	\$50,000,000	\$21,000,000,000	\$210,990,000	\$100,778,000
Budget estimate, 2002 .....	50,000,000	21,000,000,000	216,100,000	15,000,000
Committee recommendation .....	50,000,000	21,000,000,000	216,100,000	15,000,000

#### PROGRAM DESCRIPTION

The Federal Housing Administration [FHA] fund covers the mortgage and loan insurance activity of about 40 HUD mortgage/loan insurance programs which are grouped into the mutual mortgage insurance [MMI] fund, cooperative management housing insurance [CMHI] fund, general insurance fund [GI] fund, and the special risk insurance [SRI] fund. For presentation and accounting control purposes, these are divided into two sets of accounts based on shared characteristics. The unsubsidized insurance programs of the mutual mortgage insurance fund and the cooperative management housing insurance fund constitute one set; and the general risk insurance and special risk insurance funds, which are partially composed of subsidized programs, make up the other.

The amounts for administrative expenses are to be transferred from the FHA program accounts to the HUD “Salaries and expenses” accounts.

Language is proposed to provide a commitment limitation amounting to \$160,000,000,000 in the “MMI/CMHI” account and \$21,000,000,000 in the “GI/SRI” account.

## COMMITTEE RECOMMENDATION

The Committee has included the requested amounts for the “Mutual Mortgage Insurance Program” account: a limitation on guaranteed loans of \$160,000,000,000, a limitation on direct loans of \$250,000,000, and an appropriation of \$336,700,000 for administrative expenses. For the GI/SRI account, the Committee recommends \$21,000,000,000 as a limitation on guaranteed loans, a limitation on direct loans of \$50,000,000, and \$216,100,000 for administrative expenses. The administrative expenses appropriation will be transferred and merged with the sums in the Department’s “Salaries and expenses” account and the “Office of the Inspector General” account.

In addition, the Committee directs HUD to continue direct loan programs in 2002 for multifamily bridge loans and single family purchase money mortgages to finance the sale of certain properties owned by the Department. Temporary financing would be provided for the acquisition and rehabilitation of multifamily projects by purchasers who have obtained commitments for permanent financing from another lender. Purchase money mortgages would enable governmental and nonprofit intermediaries to acquire properties for resale to owner-occupants in areas undergoing revitalization.

The Committee continues to be troubled that HUD has ignored the Committee’s guidance it provided when it amended Section 204 of the National Housing Act (12 U.S.C. 1710) to create the Asset Control Areas (ACA) program. The ACA program was intended to address the growing number of FHA-owned, foreclosed homes in distressed communities across the country and promote homeownership for low-income people as a tool to stabilize these neighborhoods. HUD was to work with nonprofits and local governments in targeted, revitalization areas to design a flexible pricing structure so that the homes could be adequately repaired (“to create good, decent, and structurally sound homes”), affordable for and marketable to the low-income residents that live in these communities, as a way to reverse blight and decline.

Many participants are finding that most FHA properties are so dilapidated that the cost of necessary rehabilitation or demolition far exceeds the market value for these homes. In addition, HUD’s current ACA discount structure is grossly inadequate and does not allow local governments and nonprofits to adequately rehabilitate and resell at a price affordable to low-income buyers without additional subsidies. Furthermore, HUD-contracted appraisers often do not understand local code requirements and have no understanding of repair estimates or rehabilitation costs. This has resulted in inflated and imprecise appraisals that, even after HUD’s maximum 50 percent discount, leave homes overpriced for the local market, creating huge subsidy gaps that currently are being filled by additional Federal subsidies, including those from other HUD accounts. This unnecessary inefficiency allows the problem of FHA foreclosures to worsen at a rate faster than communities trying to combat this problem can respond. More importantly, these limited Federal resources could be used to address other critical housing needs.

The Committee directs HUD to immediately amend its discount and appraisal structure so that local governments and nonprofit purchasers can adequately rehabilitate and resell these properties at prices affordable to low-income residents. Repair estimates should reflect local code standards required for certificates of occupancy and should be provided to the appraiser prior to the appraisal so that repair costs can be included in deciding the final “as is” appraisal. Likewise, local certified appraisers who are familiar with local codes, rehabilitation standards and costs for repairs should perform the appraisals upon which the discount will be applied. In cases where homes are severely dilapidated and demolition is the only feasible solution, HUD should pay for all demolition costs and execute demolitions in a timely manner.

In non-Asset Control Areas, the Committee encourages HUD to bundle defaulted loans and sell through auctions.

The Committee is concerned that HUD has failed to adequately calculate the amount of credit subsidy necessary to support its multifamily mortgage insurance programs. The Committee expects HUD to institute a computer program that accurately identifies the risk of default and financial risk to the insurance fund. Moreover, the Committee directs HUD to establish a task force to review the costs of defaults to the multifamily insurance fund and incorporate its finding in assessing the cost of credit subsidy to the various FHA multifamily mortgage insurance programs no later than July 15, 2002. The Committee further directs HUD to issue any premium changes through notice and comment rule making, as required by law.

## GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

### GUARANTEES OF MORTGAGE-BACKED SECURITIES

#### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001:	
Limitation on guaranteed loans .....	\$200,000,000,000
Administrative expenses .....	9,362,000
Budget estimate, 2002:	
Limitation on guaranteed loans .....	200,000,000,000
Administrative expenses .....	9,383,000
Committee recommendation:	
Limitation on guaranteed loans .....	200,000,000,000
Administrative expenses .....	9,383,000

#### PROGRAM DESCRIPTION

The Government National Mortgage Association [GNMA], through the mortgage-backed securities program, guarantees privately issued securities backed by pools of mortgages. GNMA is a wholly owned corporate instrumentality of the United States within the Department. Its powers are prescribed generally by title III of the National Housing Act, as amended. GNMA is authorized by section 306(g) of the act to guarantee the timely payment of principal and interest on securities that are based on and backed by a trust, or pool, composed of mortgages that are guaranteed and insured by the Federal Housing Administration, the Farmers Home Administration, or the Department of Veterans Affairs. GNMA's

guarantee of mortgage-backed securities is backed by the full faith and credit of the United States.

In accord with the Omnibus Budget Reconciliation Act of 1990 [OBRA] requirements for direct and guaranteed loan programs, the administration is requesting \$9,383,000 for administrative expenses in the mortgage-backed securities program. Amounts to fund this direct appropriation to the "MBS program" account are to be derived from offsetting receipts transferred from the "Mortgage-backed securities financing" account to a Treasury receipt account.

#### COMMITTEE RECOMMENDATION

The Committee recommends a limitation on new commitments of mortgage-backed securities of \$200,000,000,000. This amount is the same level as proposed by the budget request. The Committee also has included \$9,383,000 for administrative expenses, the same as the budget request and an increase of \$21,000 above the fiscal year 2001 enacted level.

#### POLICY DEVELOPMENT AND RESEARCH

##### RESEARCH AND TECHNOLOGY

Appropriations, 2001 .....	\$53,382,000
Budget estimate, 2002 .....	43,404,000
Committee recommendation .....	53,404,000

##### PROGRAM DESCRIPTION

Title V of the Housing and Urban Development Act of 1970, as amended, directs the Secretary of the Department of Housing and Urban Development to undertake programs of research, studies, and reports relating to the Department's mission and programs. These functions are carried out internally and through grants and contracts with industry, nonprofit research organizations, educational institutions, and through agreements with State and local governments and other Federal agencies. The research programs focus on ways to improve the efficiency, effectiveness, and equity of HUD programs and to identify methods to achieve cost reductions. Additionally, this appropriation is used to support HUD evaluation and monitoring activities and to conduct housing surveys.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$53,404,000 for research and technology activities in fiscal year 2002. This amount is \$22,000 above the fiscal year 2001 enacted level and \$10,000,000 above the budget request. Of this funding, \$10,000,000 is allocated to the Partnership for Advancing Technologies in Housing (PATH) program. The Committee expects the PATH program to continue its cold climate housing research with the Cold Climate Housing Research Center in Fairbanks, Alaska. In addition, because HUD in the past has used this office's broad authority to administer new and unauthorized programs, this office is denied demonstration authority except where approval is provided by Congress in response to a reprogramming request.



## FAIR HOUSING AND EQUAL OPPORTUNITY

## FAIR HOUSING ACTIVITIES

Appropriations, 2001 .....	\$45,899,000
Budget estimate, 2002 .....	45,899,000
Committee recommendation .....	45,899,000

## PROGRAM DESCRIPTION

The fair housing activities appropriation includes funding for both the Fair Housing Assistance Program [FHAP] and the Fair Housing Initiatives Program [FHIP].

The Fair Housing Assistance Program helps State and local agencies to implement title VIII of the Civil Rights Act of 1968, as amended, which prohibits discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. The major objective of the program is to assure prompt and effective processing of title VIII complaints with appropriate remedies for complaints by State and local fair housing agencies.

The Fair Housing Initiatives Program is authorized by section 561 of the Housing and Community Development Act of 1987, as amended, and by section 905 of the Housing and Community Development Act of 1992. This initiative is designed to alleviate housing discrimination by increasing support to public and private organizations for the purpose of eliminating or preventing discrimination in housing, and to enhance fair housing opportunities.

## COMMITTEE RECOMMENDATION

The Committee recommendation provides \$45,899,000, of which \$21,899,000 is for the fair housing assistance program [FHAP] and no more than \$24,000,000 is for the fair housing initiatives program [FHIP].

The Committee emphasizes that State and local agencies under FHAP should have the primary responsibility for identifying and addressing discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. It is critical that consistent fair housing policies be identified and implemented to insure continuity and fairness, and that States and localities continue to increase their understanding, expertise, and implementation of the law.

## OFFICE OF LEAD HAZARD CONTROL

## LEAD HAZARD REDUCTION

Appropriations, 2001 .....	\$99,780,000
Budget estimate, 2002 .....	109,758,000
Committee recommendation .....	109,758,000

## PROGRAM DESCRIPTION

Title X of the Housing and Community Development Act of 1992 established the Residential Lead-Based Paint Hazard Reduction Act under which HUD is authorized to make grants to States, localities and native American tribes to conduct lead-based paint hazard reduction and abatement activities in private low-income

housing. This has become a significant health hazard, especially for children. According to the Centers for Disease Control and Prevention [CDC], some 890,000 children have elevated blood levels, down from 1.7 million in the late 1980s. Despite this improvement, lead poisoning remains a serious childhood environmental condition, with some 4.4 percent of all children aged 1 to 5 years having elevated blood lead levels. This percentage is much higher for low-income children living in older housing.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$109,758,000 for lead-based paint hazard reduction and abatement activities for fiscal year 2002. This amount is the same as the President's budget request for fiscal year 2002 and \$9,978,000 more than the fiscal year 2001 appropriation level. Of this amount, HUD may use up to \$10,000,000 for the Healthy Homes Initiative under which HUD conducts a number of activities designed to identify and address housing-related illnesses. The Committee has also provided \$1,000,000 for the National Center for Lead-Safe Housing, and \$750,000 for CLEARCorps.

The Committee continues to be concerned that HUD does not have a coherent and comprehensive policy for addressing the risks of lead-based paint hazards in housing. The Department is expected to develop a policy that links Federal education outreach and remediation efforts with State, local, nonprofit and private funding efforts towards the abatement of lead-based paint hazards.

#### MANAGEMENT AND ADMINISTRATION

##### SALARIES AND EXPENSES

##### (INCLUDING TRANSFERS OF FUNDS)

[In thousands of dollars]

	Appropriation	FHA funds by transfer	GNMA funds by transfer	CGDB funds by transfer	Title VI transfer	Indian housing	Total
Appropriations, 2001 .....	542,072	518,000	9,383	1,000	150	200	1,070,805
Budget estimate, 2002 .....	556,067	530,457	9,383	1,000	150	200	1,097,257
Committee recommendation .....	556,067	530,457	9,383	1,000	150	235	1,097,292

#### PROGRAM DESCRIPTION

The recommendation includes a single "Salaries and expenses" account to finance all salaries and related expenses associated with administering the programs of the Department of Housing and Urban Development. These include the following activities:

*Housing and mortgage credit programs.*—This activity includes staff salaries and related expenses associated with administering housing programs, the implementation of consumer protection activities in the areas of interstate land sales, mobile home construction and safety, and real estate settlement procedures.

*Community planning and development programs.*—Funds in this activity are for staff salaries and expenses necessary to administer community planning and development programs.

*Equal opportunity and research programs.*—This activity includes salaries and related expenses associated with implementing equal opportunity programs in housing and employment as required by law and Executive orders and the administration of research programs and demonstrations.

*Departmental management, legal, and audit services.*—This activity includes a variety of general functions required for the Department's overall administration and management. These include the Office of the Secretary, Office of General Counsel, Office of Chief Financial Officer, as well as administrative support in such areas as accounting, personnel management, contracting and procurement, and office services.

*Field direction and administration.*—This activity includes salaries and expenses for the regional administrators, area office managers, and their staff who are responsible for the direction, supervision, and performance of the Department's field offices, as well as administration support in areas such as accounting, personnel management, contracting and procurement, and office services.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$1,097,292,000 for salaries and expenses. This amount is \$26,487,000 above the fiscal year 2001 enacted level and \$35,000 above the budget request. The appropriation includes the requested amount of \$530,457,000 transferred from various funds from the Federal Housing Administration, \$9,383,000 transferred from the Government National Mortgage Association, \$1,000,000 from the community development block grant funds, \$150,000 from title VI, \$200,000 from the native American housing block grant, and \$35,000 from the Native Hawaiian Housing Program.

In addition, the Department is prohibited from employing more than 77 schedule C and 20 noncareer senior executive service employees.

The Committee supports the reauthorization of the Multifamily Assisted Housing Reform and Affordability Act and urges the Banking Committees to move legislation on this important program. The Committee also supports the Administration's position to integrate the functions of the program under the Office of Housing. The Committee is troubled by the inability of the Office of Multifamily Housing Assistance Restructuring (OMHAR) to force owners into full restructuring deals, leaving these properties at increased risk of physical and financial problems. In a draft report by the General Accounting Office (GAO), it found that there were 11 properties identified as "troubled" and 23 more as "potentially troubled" because these properties were not properly restructured by OMHAR. The Committee directs HUD to address this problem as part of the reauthorization process.

The Committee also directs HUD to be in charge of making any staffing decisions for the mark-to-market program under the Office of Housing. The Committee urges the Department to retain as many qualified OMHAR staff under the Office of Housing but to ensure that salaries and benefits are commensurate with other staff currently employed by the Office of Housing. While the Committee recognizes the specialized skills of the OMHAR staff for ad-

ministering the program, it is concerned about disparate treatment between existing civil servants at HUD and these staff. The Department should also consider reducing the number of staff to oversee the program since most of the actual administration of the program is being performed by the participating administrative entities.

The Committee is concerned that many HUD program offices did not receive sufficient funds to operate, maintain, or upgrade their information systems. The fiscal year 2001 VA/HUD appropriations legislation set up a single account under "Working Capital" to better account and oversee the expenditure of funds for HUD-wide and program-specific systems. Contrary to legislative intent, the Department did not provide adequate funding to program-specific systems, such as the management information system for homeless programs. The Committee expects HUD to correct this problem immediately to ensure that program-specific systems are not short-changed and receive the funding allocated as intended by the Committee.

OFFICE OF INSPECTOR GENERAL  
(INCLUDING TRANSFER OF FUNDS)

	Appropriation	FHA funds by transfer	Drug elimination grants transfer	Total
Appropriations, 2001 .....	\$52,541,000	\$22,343,000	\$10,000,000	\$84,884,000
Budget estimate, 2002 .....	61,555,000	22,343,000	<sup>1</sup> 10,000,000	93,898,000
Committee recommendation .....	66,555,000	22,343,000	.....	88,898,000

<sup>1</sup> The budget request proposes to transfer \$10,000,000 from public housing operating subsidy.

PROGRAM DESCRIPTION

This appropriation would finance all salaries and related expenses associated with the operation of the Office of the Inspector General [OIG].

COMMITTEE RECOMMENDATIONS

The Committee recommends a funding level of \$88,898,000 for the Office of Inspector General (OIG). This amount is \$4,014,000 above the fiscal year 2001 enacted level and \$5,000,000 below the budget request. This funding level includes \$22,343,000 by transfer from various FHA funds. The Committee recommendation does not include \$10,000,000 by transfer from the public housing operating subsidy account for Operation Safe Home due to problems identified in a recent General Accounting Office report. The Committee commends OIG for its commitment and its efforts in reducing waste, fraud and abuse in HUD programs. The Committee directs that of the funds provided, \$10,000,000 is to be targeted to anti-predatory lending and anti-flipping activities.

## OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

## SALARIES AND EXPENSES

## (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$21,952,000
Budget estimate, 2002 .....	27,000,000
Committee recommendation .....	27,000,000

## PROGRAM DESCRIPTION

This appropriation funds the Office of Federal Housing Enterprise Oversight [OFHEO], which was established in 1992 to regulate the financial safety and soundness of the two housing Government sponsored enterprises [GSE's], the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. The Office was authorized in the Federal Housing Enterprise Safety and Soundness Act of 1992, which also instituted a three-part capital standard for the GSE's, and gave the regulator enhanced authority to enforce those standards.

## COMMITTEE RECOMMENDATION

The Committee recommends \$27,000,000 for the Office of Federal Housing Enterprise Oversight, which is the same as the budget request and \$5,048,000 more than the fiscal year 2001 level. As requested by the Administration, the Committee has provided \$5,000,000 as a one-time only increase in additional funds to meet OFHEO's information technology initiative to upgrade and expand its computing demands. The Committee directs OFHEO to submit to the Congress a staffing and resource plan that identifies staffing needs with oversight responsibilities.

## CONSOLIDATED FEE FUND

## (RESCISSION)

Appropriations, 2001 .....	\$0
Budget estimate, 2002 .....	- 6,700,000
Committee recommendation .....	- 6,700,000

## PROGRAM DESCRIPTION

Section 7(j) of the Department of Housing and Urban Development Act establishes fees and charges from selected programs which are deposited in a fund to offset the costs of audits, inspections, and other related expenses that may be incurred by the Department in monitoring these programs. These fees were misclassified for many years as deposit funds, and are now re-classified as on-budget Federal funds.

## COMMITTEE RECOMMENDATION

The Committee recommends a rescission of \$6,700,000 from the fee fund, as requested by the Administration.

## ADMINISTRATIVE PROVISIONS

The Committee recommends 17 administrative provisions. A brief description follows.

SEC. 201. *Financing Adjustment Factor*. Promotes the refinancing of bonds.

SEC. 202. *Fair Housing and Free Speech*. Provides free speech protections.

SEC. 203. *HOPWA*. Technical correction for allocations.

SEC. 204. *HOPWA Technical*. Extends provision requiring HUD to allocate directly to New Jersey a portion of funds designated for Philadelphia area.

SEC. 205. *Section 236 Excess Income*. Extends section 236 excess income eligibility through 2002.

SEC. 206. *Technical Correction to National Housing Act*. Technical correction to FHA 223(f) program.

SEC. 207. *Emergency Homeownership Counseling*. Repeal of program limitation.

SEC. 208. *FHA Hybrid Arms*. Provides HUD with new authority on hybrid arms.

SEC. 209. *Rehabilitation Loan Reform*. Makes changes to 203(k) program.

SEC. 210. *Hospital Standards*. Allows HUD to set hospital standards.

SEC. 211. *Nursing Home Standards*. Allows HUD to set nursing home standards.

SEC. 212. *Mortgage Monitoring*. Requires HUD to review early defaults and claims and allows HUD to terminate poor performing mortgagees.

SEC. 213. *HUD Reform Act Compliance*. Requires HUD to award funds on a competitive basis.

SEC. 214. *Exemption for Alaska from requirement of resident on board of PHA*. Exempts Alaska from the requirement of having a PHA resident on the board of directors for fiscal year 2002. The Committee expects the State of Alaska to establish a tenant advisory board to ensure that PHA residents can participate effectively in PHA activities.

SEC. 215. *Multifamily Disposition*. Requires HUD to maintain section 8 assistance on properties occupied by elderly or disabled families.

SEC. 216. *Multifamily Loan Limits*. Raises FHA multifamily loan limits.

SEC. 217. *NAHASDA Technical Correction*. Makes technical correction to use of funds provided to Cook Inlet Housing Authority.

### TITLE III—INDEPENDENT AGENCIES

#### AMERICAN BATTLE MONUMENTS COMMISSION

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$27,938,400
Budget estimate, 2002 .....	28,466,000
Committee recommendation .....	28,466,000

##### PROGRAM DESCRIPTION

The American Battle Monuments Commission [ABMC] is responsible for the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of our Armed Forces where they have served since April 1917; for controlling the erection of monuments and markers by U.S. citizens and organizations in foreign countries; and for the design, construction, and maintenance of permanent military cemetery memorials in foreign countries. The Commission maintains 24 military memorial cemeteries and 31 monuments, memorials, markers, and offices in 15 countries around the world. In addition, the Commission administers three large memorials on U.S. soil. It is presently charged with erecting a World War II Memorial in the Washington, DC, area.

##### COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$28,466,000 for the American Battle Monuments Commission, which is \$527,600 above the fiscal year 2001 enacted level.

#### CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$7,483,000
Budget estimate, 2002 .....	7,621,000
Committee recommendation .....	7,621,000

##### PROGRAM DESCRIPTION

The Chemical Safety and Hazard Investigation Board was authorized by the Clean Air Act Amendments of 1990 to investigate accidental releases of certain chemical substances resulting in serious injury, death, or substantial property damage. It became operational in fiscal year 1998.

##### COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$7,621,000 for the Chemical Safety and Hazard Investigation Board, an increase of \$138,000 above the fiscal year 2001 enacted level.

The Committee has included bill language authorizing the Inspector General of FEMA to act as the Inspector General of the Chemical Safety Board. Funds have been included to accomplish this requirement in the FEMA OIG appropriation.

Not later than March 1, 2002, and each year thereafter, the Chief Operating Officer of the Board shall prepare a financial statement for the preceding fiscal year, covering all accounts and associated activities of the Board. Each financial statement of the Board will be prepared according to the form and content of the financial statements prescribed by the Office of Management and Budget for executive agencies required to prepare financial statements under the Chief Financial Officers Act of 1990, as amended by the Government Management Reform Act of 1994. Each financial statement prepared under 31 USC 3515 by the Board shall be audited according to applicable generally accepted government auditing standards by the Inspector General of the Board or an independent external auditor, as determined by the Inspector General. The IG shall submit to the Chief Operating Officer of the Board a report on the audit not later than June 30 following the fiscal year for which a statement was prepared.

The Committee has again included bill language limiting the number of career senior executive service positions to three.

#### DEPARTMENT OF THE TREASURY

##### COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

##### COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

Appropriations, 2001 .....	\$117,740,000
Budget estimate, 2002 .....	67,948,000
Committee recommendation .....	100,000,000

##### PROGRAM DESCRIPTION FOR CDFI FUND

The Community Development Financial Institutions Fund primarily provides grants, loans, equity investments, deposits, and technical assistance to new and existing community development financial institutions. These include community development banks, credit unions, and venture capital funds; revolving loan funds; and microloan funds. Recipient institutions engage in lending and investment for affordable housing, small business and community development within underserved communities.

##### COMMITTEE RECOMMENDATION

The Committee recommends \$100,000,000 for the CDFI Fund, which is \$17,740,000 below the fiscal year 2001 level and \$32,052,000 above the administration's request.

The Committee also recommends a set-aside of \$5,000,000 for grants, loans, and technical assistance and training programs to benefit Native American, Alaskan Natives, and Native Hawaiian communities in the coordination of development strategies, increased access to equity investments, and loans for development activities. This amount is an increase of \$4,500,000 above the budget request and the same as the fiscal year 2001 enacted level. The



Committee urges CDFI to expedite the release of funds provided for fiscal year 2001.

The Committee remains concerned about CDFI's lending activities in rural areas, especially the Fund's use of its Bank Enterprise Award (BEA) program. The Committee urges CDFI to increase its activities in rural areas, especially in light of the abundance of Federal programs already dedicated to urban areas. Further, CDFI is directed to include details on its rural lending activities in its fiscal year 2003 budget justifications. These details should include the number of CDFIs approved in rural areas by state and the amount of funds provided to each rural area by program activity.

#### CONSUMER PRODUCT SAFETY COMMISSION

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$52,384,000
Budget estimate, 2002 .....	54,200,000
Committee recommendation .....	56,200,000

##### PROGRAM DESCRIPTION

The Commission is an independent regulatory agency that was established on May 14, 1973, and is responsible for protecting the public against unreasonable risks of injury from consumer products; assisting consumers to evaluate the comparative safety of consumer products; developing uniform safety standards for consumer products and minimizing conflicting State and local regulations; and promoting research and investigation into the causes and prevention of product-related deaths, illnesses, and injuries.

In carrying out its mandate, the Commission establishes mandatory product safety standards, where appropriate, to reduce the unreasonable risk of injury to consumers from consumer products; helps industry develop voluntary safety standards; bans unsafe products if it finds that a safety standard is not feasible; monitors recalls of defective products; informs and educates consumers about product hazards; conducts research and develops test methods; collects and publishes injury and hazard data, and promotes uniform product regulations by governmental units.

##### COMMITTEE RECOMMENDATION

The Committee recommends \$56,200,000 for the Consumer Product Safety Commission, \$2,000,000 above the budget request and an increase of \$3,816,000 above the fiscal year 2001 enacted level.

The Committee recommends adding \$1,000,000 to the budget request to ensure that CPSC can maintain its current level of product testing and analysis in support of recall and compliance activities, and can cover current staffing and operational expenses.

The Committee also recommends adding \$1,000,000 to the budget request for a research project on sensor technologies. This research project will be designed to accelerate the incorporation of state-of-the-art sensor technologies from the industrial, defense, and space sectors into consumer products.

## CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

## NATIONAL AND COMMUNITY SERVICE PROGRAMS

## OPERATING EXPENSES

## (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$457,491,000
Budget estimate, 2002 .....	411,480,000
Committee recommendation .....	415,480,000

## PROGRAM DESCRIPTION

The Corporation for National and Community Service, a Corporation owned by the Federal Government, was established by the National and Community Service Trust Act of 1993 (Public Law 103-82) to enhance opportunities for national and community service and provide national service educational awards. The Corporation makes grants to States, institutions of higher education, public and private nonprofit organizations, and others to create service opportunities for a wide variety of individuals such as students, out-of-school youth, and adults through innovative, full- and part-time national and community service programs. National service participants may receive education awards which may be used for full-time or part-time higher education, vocational education, job training, or school-to-work programs.

The Corporation is governed by a Board of Directors and headed by the Chief Executive Officer. Board members and the Chief Executive Officer are appointed by the President of the United States and confirmed by the Senate.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$415,480,000 for the Corporation for National and Community Service. Of this amount, \$240,492,000 is for grants under the National Service Trust, including the AmeriCorps program; \$10,000,000 is for the Points of Light Foundation; \$25,000,000 is for the Civilian Community Corps; \$43,000,000 is available for school-based and community-based service-learning programs; \$31,000,000 is for administrative expenses; \$28,488,000 is for innovation, demonstration, and assistance activities; \$15,000,000 is for the new Veteran's Mission for Youth Program; \$5,000,000 is for audits and other evaluations; \$7,500,000 is for America's Promise; \$1,500,000 is for the Parents as Teachers National Center, Inc.; \$2,500,000 is for the YMCA; \$1,000,000 is for Teach For America; and \$5,000,000 is for Communities In Schools. No funding has been provided to the Silver Scholarships program. The total amount is \$42,011,000 less than the fiscal year 2001 enacted level and \$4,000,000 above the budget request.

The Committee commends the Corporation for receiving its first clean opinion on its fiscal year 2000 financial statements and reducing the number of material weaknesses from six to two. The most important material weakness that remains is in the area of grants management. While the Corporation has made some

progress on developing a comprehensive grants management system, the Committee believes that more needs to be done.

The Committee is also concerned about the lack of an adequate cost accounting system. The Corporation is still unable to provide actual expense data on program costs by function or participant and believes strongly that this information is vital to ensure proper management of the various programs. The Committee has provided \$2,000,000 in targeted funding from the Corporation's program administration account to bolster its efforts in acquiring and implementing a new cost accounting system. The Committee expects the new cost accounting system to be implemented before the end of fiscal year 2002. The Committee directs the Corporation to provide monthly status reports, beginning in December 2001, to the Committee and the Office of Inspector General. These reports should detail the amount of funds spent for the new system, justification for the expenditures, and an estimated time frame upon which the new system will be completed and implemented. The Committee also directs the Corporation to provide a 5-year budget in its fiscal year 2002 operating plan submission that details the annual estimated budget costs for operating and maintaining its grants management and cost accounting systems.

The Corporation has not requested new budget authority for the National Service Trust for fiscal year 2002 because of sufficient balances that exist in the Trust to cover the estimated education award liabilities for its current members. The Inspector General verified that sufficient Trust Fund assets will be available to fund its current liabilities through 2002, however, additional funding may be required for each new program year after 2002 if new program awards are made. The Committee expects the Corporation to monitor carefully its activities under the Trust Fund and directs the Corporation to provide quarterly activity reports to the Committee and Inspector General on the expenditure of awards under the Trust Fund. The initial report should be provided to the Committee by January 7, 2002.

The Committee has also designated \$25,000,000 to support the Corporation's E-Corps activities. The Committee supports fully the efforts of AmeriCorps in bringing technology skills to people who have been left out or left behind in the digital economy. The Committee directs the Corporation to strengthen its E-Corps activities by providing training and mentoring support for children, teachers, and non-profit and community center staff on how to use computers and information technology.

The Committee has provided \$10,000,000 to the Points of Light Foundation. Bill language has also been included to allow the Points of Light Foundation to allocate \$2,500,000 from its fiscal year 2001 appropriation and another \$2,500,000 from its fiscal year 2002 appropriated funds into an endowment fund. This endowment fund will allow the Foundation to leverage private resources so that it can begin the process of becoming financially self-sustaining.

The Committee has provided \$7,500,000 in direct funds to the America's Promise—the Alliance for Youth organization. The Committee encourages America's Promise to continue its outreach efforts to other local and national organizations involved in assisting

at-risk youth and its efforts in establishing Communities of Promise to improve local coordination activities.

The Committee has provided \$5,000,000 in direct funds to Communities In Schools, Inc. (CIS). These funds are dedicated to CIS's efforts in school dropout prevention. The Committee expects CIS to continue working with other similar organizations in helping at-risk youth in our Nation.

The Committee has provided \$2,500,000 in direct funds to the YMCA of the USA to support and establish innovative school-based programs designed to strengthen collaborations and linkages between public schools and their surrounding communities.

The Committee has provided \$1,000,000 in direct funds to Teach For America to support their efforts in expanding educational opportunities for our Nation's most disadvantaged students.

The Committee has also provided \$1,500,000 in direct funds to the Parents as Teachers National Center to support work with the National Center for Family Literacy to reach the low-literate and to increase parental involvement related to literacy.

#### OFFICE OF INSPECTOR GENERAL

Appropriations, 2001 .....	\$4,989,000
Budget estimate, 2002 .....	5,000,000
Committee recommendation .....	5,000,000

#### PROGRAM DESCRIPTION

The Office of Inspector General within the Corporation for National and Community Service is authorized by the Inspector General Act of 1978, as amended. The goals of the Office are to increase organizational efficiency and effectiveness and to prevent fraud, waste, and abuse. The Office of Inspector General within the Corporation for National and Community Service was transferred to the Corporation from the former ACTION agency when ACTION was abolished and merged into the Corporation in April 1994.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$5,000,000 for the Office of Inspector General (OIG). This is equal to the amount appropriated for this Office in fiscal year 2001 and is equal to the administration's request level.

#### U.S. COURT OF APPEALS FOR VETERANS CLAIMS

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$12,418,000
Budget estimate, 2002 .....	13,221,000
Committee recommendation .....	13,221,000

#### PROGRAM DESCRIPTION

The Court of Appeals for Veterans Claims was established by the Veterans' Judicial Review Act. The court has exclusive jurisdiction to review decisions of the Board of Veterans' Appeals. It has the authority to decide all relevant questions of law; interpret constitutional, statutory, and regulatory provisions; and determine the meaning or applicability of the terms of an action by the Depart-

ment of Veterans Affairs. It is authorized to compel action by the Department unlawfully withheld or unreasonably delayed. It is authorized to hold unlawful and set-aside decisions, findings, conclusions, rules and regulations issued or adopted by the Department of Veterans Affairs or the Board of Veterans' Appeals.

#### COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$13,221,000 for the Court of Appeals for Veterans claims, an increase of \$803,000 above the fiscal year 2001 enacted level.

#### DEPARTMENT OF DEFENSE—CIVIL

#### CEMETERIAL EXPENSES, ARMY

#### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$17,910,000
Budget estimate, 2002 .....	18,437,000
Committee recommendation .....	18,437,000

#### PROGRAM DESCRIPTION

Responsibility for the operation of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery is vested in the Secretary of the Army. As of September 30, 1999, Arlington and Soldiers' and Airmen's Home National Cemeteries contained the remains of 277,932 persons and comprised a total of approximately 628 acres. There were 3,604 interments and 2,152 inurnments in fiscal year 1999; 3,700 interments and 2,200 inurnments are estimated for the current fiscal year; and 3,700 interments and 2,300 inurnments are estimated for fiscal year 2001.

#### COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$18,437,000 for the Army's cemeterial expenses. This amount is \$527,000 above the fiscal year 2001 enacted level.

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES

#### NATIONAL INSTITUTES OF HEALTH

#### NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

Appropriations, 2001 .....	\$62,861,400
Budget estimate, 2002 .....	70,228,000
Committee recommendation .....	70,228,000

#### PROGRAM DESCRIPTION

The National Institute of Environmental Health Sciences, an agency within the National Institutes of Health, was authorized in section 311(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to conduct certain research and worker training activities associated with the nation's Hazardous Substance Superfund program.

## COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$70,228,000 for the National Institute of Environmental Health Sciences, which is the same as the budget request and \$7,366,600 above the fiscal year 2001 enacted level. This includes \$24,404,000 for worker training grants and \$45,824,000 for research.

## AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY

Appropriations, 2001 .....	\$74,835,000
Budget estimate, 2002 .....	78,235,000
Committee recommendation .....	78,235,000

## PROGRAM DESCRIPTION

The Agency for Toxic Substances and Disease Registry (ATSDR), an agency of the Public Health Service, was created in section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. The ATSDR's primary mission is to conduct surveys and screening programs to determine relationships between exposure to toxic substances and illness. Other activities include the maintenance and annual update of a list of hazardous substances most commonly found at Superfund sites, the preparation of toxicological profiles on each such hazardous substance, consultations on health issues relating to exposure to hazardous or toxic substances, and the development and implementation of certain research activities related to ATSDR's mission.

## COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$78,235,000 for the Agency for Toxic Substances and Disease Registry, which is \$3,400,000 above the fiscal year 2001 enacted level.

The Committee encourages ATSDR to continue at least the current level of support for the Great Lakes Fish Consumption Study. Additionally, the Committee directs ATSDR report by December 31, 2001, on the feasibility of a proposal to establish a pilot program in Michigan for fish consumption advisories, including funding requirements for such a pilot program.

The Committee appreciates the work of the Center for Disease Control (CDC) and ATSDR to help families and public officials respond to and investigate 13 cases of leukemia affecting children in the small community of Fallon, Nevada. The Committee directs ATSDR to continue to afford the highest priority to this work by expeditiously conducting investigations into the possible environmental causes of these cases, working with the National Institutes of Health and the Department of Defense to study the population mixing theory, supporting the work of the Nevada Public Health Office in connection with these cases, and conducting other investigations consistent with the recommendations of the Nevada Public Health Officer's expert panel.

## ENVIRONMENTAL PROTECTION AGENCY

Appropriations, 2001 .....	\$7,811,627,600
Budget estimate, 2002 .....	7,316,599,000
Committee recommendation .....	7,751,600,000

## GENERAL DESCRIPTION

The Environmental Protection Agency [EPA] was created through Executive Reorganization Plan No. 3 of 1970 designed to consolidate certain Federal Government environmental activities into a single agency. The plan was submitted by the President to the Congress on July 8, 1970, and the Agency was established as an independent agency in the executive branch on December 2, 1970, by consolidating 15 components from 5 departments and independent agencies.

A description of EPA's pollution control programs by media follows:

*Air.*—The Clean Air Act Amendments of 1990 authorize a national program of air pollution research, regulation, prevention, and enforcement activities.

*Water quality.*—The Clean Water Act, as amended in 1977, 1981, and 1987, provides the framework for protection of the Nation's surface waters. The law recognizes that it is the primary responsibility of the States to prevent, reduce, and eliminate water pollution. The States determine the desired uses for their waters, set standards, identify current uses and, where uses are being impaired or threatened, develop plans for the protection or restoration of the designated use. They implement the plans through control programs such as permitting and enforcement, construction of municipal waste water treatment works, and nonpoint source control practices. The CWA also regulates discharge of dredge or fill material into waters of the United States, including wetlands.

*Drinking water.*—The Safe Drinking Water Act of 1974, as amended in 1996, charges EPA with the responsibility of implementing a program to assure that the Nation's public drinking water supplies are free of contamination that may pose a human health risk, and to protect and prevent the endangerment of ground water resources which serve as drinking water supplies.

*Hazardous waste.*—The Resource Conservation and Recovery Act of 1976 mandated EPA to develop a regulatory program to protect human health and the environment from improper hazardous waste disposal practices. The RCRA Program manages hazardous wastes from generation through disposal.

EPA's responsibilities and authorities to manage hazardous waste were greatly expanded under the Hazardous and Solid Waste Amendments of 1984. Not only did the regulated universe of wastes and facilities dealing with hazardous waste increase significantly, but past mismanagement practices, in particular prior releases at inactive hazardous and solid waste management units, were to be identified and corrective action taken. The 1984 amendments also authorized a regulatory and implementation program directed to owners and operators of underground storage tanks.

*Pesticides.*—The objective of the Pesticide Program is to protect the public health and the environment from unreasonable risks while permitting the use of necessary pest control approaches. This objective is pursued by EPA under the Food Quality Protection Act, the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act through three principal means: (1) review of existing and new pesticide products; (2) en-

forcement of pesticide use rules; and (3) research and development to reinforce the ability to evaluate the risks and benefits of pesticides.

*Radiation.*—The radiation program's major emphasis is to minimize the exposure of persons to ionizing radiation, whether from naturally occurring sources, from medical or industrial applications, nuclear power sources, or weapons development.

*Toxic substances.*—The Toxic Substances Control Act establishes a program to stimulate the development of adequate data on the effects of chemical substances on health and the environment, and institute control action for those chemicals which present an unreasonable risk of injury to health or the environment. The act's coverage affects more than 60,000 chemicals currently in commerce, and all new chemicals.

*Multimedia.*—Multimedia activities are designed to support programs where the problems, tools, and results are cross media and must be integrated to effect results. This integrated program encompasses the Agency's research, enforcement, and abatement activities.

*Superfund.*—The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 established a national program to protect public health and the environment from the threats posed by inactive hazardous waste sites and uncontrolled spills of hazardous substances. The original statute was amended by the Superfund Amendments and Reauthorization Act of 1986. Under these authorities, EPA manages a hazardous waste site cleanup program including emergency response and long-term remediation.

*Leaking underground storage tanks.*—The Superfund Amendments and Reauthorization Act of 1986 established the leaking underground storage tank [LUST] trust fund to conduct corrective actions for releases from leaking underground storage tanks that contain petroleum or other hazardous substances. EPA implements the LUST response program primarily through cooperative agreements with the States.

#### COMMITTEE RECOMMENDATION

The Committee recommends a total of \$7,751,600,000 for EPA. This is an increase of \$435,001,000 above the budget request and a decrease of \$60,026,000 below the fiscal year 2001 enacted level.

The Committee recognizes the critical need for substantial investments in our Nation's water infrastructure, and regrets that its recommendation cannot accommodate funding for the new Wet Weather grant program. The Committee acknowledges the enormous needs our communities face in seeking to upgrade combined sewer and sanitary sewer systems, and is deeply disappointed that the Administration chose to request funding for the Wet Weather program at the expense of the Clean Water State Revolving Loan Fund. This approach is specifically prohibited by the Wet Weather program authorization because it would weaken the clean water SRF. Instead, the Committee's recommendation has restored the Administration's \$500,000,000 cut to the clean water SRF.

The Committee has also rejected the Administration's proposal to reduce EPA's ability to enforce environmental laws. The Committee supports the concept of providing additional Federal assistance to



help States ensure compliance with environmental laws, but is disappointed that the Administration chose to provide such funding at the expense of EPA's enforcement program. The Committee believes there should be both a strong Federal and State enforcement presence to achieve compliance with our environmental laws, not one or the other. Therefore, the Committee has recommended funding to restore the 270 enforcement employees cut by the budget request, and has not funded the Administration's proposed new State enforcement grant program.

The Agency is directed to notify the Committee prior to each reprogramming in excess of \$500,000 between objectives, when those reprogrammings are for different purposes. The exceptions to this limitation are as follows: (1) for the "Environmental programs and management" account, Committee notification is required at \$500,000; Committee approval is required only above \$1,000,000; and (2) for the "State and tribal assistance grants" account, reprogramming of performance partnership grant funds is exempt from this limitation.

#### SCIENCE AND TECHNOLOGY

Appropriations, 2001 .....	\$695,466,600
Budget estimate, 2002 .....	640,537,800
Committee recommendation .....	665,672,260

#### PROGRAM DESCRIPTION

EPA's "Science and technology" account provides funding for the scientific knowledge and tools necessary to support decisions on preventing, regulating, and abating environmental pollution and to advance the base of understanding on environmental sciences. These efforts are conducted through contracts, grants, and cooperative agreements with universities, industries, other private commercial firms, nonprofit organizations, State and local government, and Federal agencies, as well as through work performed at EPA's laboratories and various field stations and field offices. Trust Fund resources are transferred to this account directly from the Hazardous Substance Superfund.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$665,672,260 for science and technology, an increase of \$25,134,260 above the budget request and a decrease of \$29,794,340 below the enacted level. In addition, the Committee recommends the transfer of \$36,890,500 from the Superfund account, for a total of \$702,428,500 for science and technology.

*Enforcement.*—The Committee directs that Office of Enforcement and Compliance Assurance (OECA) activities within the Science and Technology account be funded at no less than fiscal year 2001 levels. Furthermore, the Committee's recommendation includes \$134,260 to restore 1.4 workyears to OECA, to be restored in the following manner:

To headquarters, 1.4 workyears are to be restored, of which: 1.1 workyears are to be restored to civil enforcement, 1 and .3 workyears are to be restored to capacity building. In addition, the Committee directs EPA to continue the fiscal year 2001 current

levels of workyear and funding support for compliance monitoring and criminal enforcement.

The Committee recommendation for science and technology includes:

\$750,000 for the Integrated Public/Private Energy and Environmental Consortium (IPEC) to develop cost-effective environmental technology, improved business practices, and technology transfer for the domestic petroleum industry.

\$750,000 for the Geothermal Heat Pump Consortium (GHP).

\$500,000 for the Consortium for Plant Biotechnology Research.

\$500,000 for the Center for the Study of Metals in the Environment.

\$3,900,000 for the Mine Waste Technology Program at the National Environmental Waste Technology, Testing, and Evaluation Center.

\$1,500,000 for the Connecticut River Airshed-Watershed Consortium.

\$3,600,000 for the Water Environment Research Foundation.

\$3,600,000 for the American Water Works Association Research Foundation.

\$1,000,000 for the Center for Urban Environmental Research and Education at the University of Maryland Baltimore County.

\$1,200,000 for the Center for Air Toxic Metals at the Energy and Environmental Research Center.

\$1,000,000 for environmental education and research at the Turtle Cove Research Station.

\$500,000 for the Missouri River Institute for research and outreach.

\$100,000 for the University of Vermont's Proctor Maple Research Center to continue mercury deposition monitoring effects.

\$750,000 for the Great Lakes Hydrological Center of Excellence partnership by Western Michigan University and the Environmental Research Institute of Michigan.

\$750,000 for the Cancer Institute of New Jersey for research of the influence of environmental factors in cancer causation.

\$250,000 for acid rain research at the University of Vermont.

\$1,300,000 for the National Jewish Medical and Research Center for research on the relationship between indoor and outdoor pollution and the development of respiratory diseases.

\$400,000 for Tooele City, Utah for the Middle Canyon Creek Irrigation project.

\$500,000 for the Montana Drinking Water Assistance program.

\$1,000,000 for the National Environmental Respiratory Center at the Lovelace Respiratory Research Institute.

\$750,000 for the University of South Alabama, Center for Estuarine Research.

\$500,000 for the Mickey Leland National Urban Air Toxics Research Center.

\$1,000,000 for the Gulf Coast Hazardous Substance Research Center.

\$2,000,000 for the Table Rock Lake Wastewater Initiative as a National Community Decentralized Demonstration Project. The Committee has not included proposed bill language relative to the environmental services fund.

#### ENVIRONMENTAL PROGRAMS AND MANAGEMENT

Appropriations, 2001 .....	\$2,083,396,400
Budget estimate, 2002 .....	1,972,960,000
Committee recommendation .....	2,061,996,200

#### PROGRAM DESCRIPTION

The Agency's "Environmental programs and management" account includes the development of environmental standards; monitoring and surveillance of pollution conditions; direct Federal pollution control planning; technical assistance to pollution control agencies and organizations; preparation of environmental impact statements; enforcement and compliance assurance; and assistance to Federal agencies in complying with environmental standards and insuring that their activities have minimal environmental impact. It provides personnel compensation, benefits, and travel and other administrative expenses for all agency programs except hazardous substance Superfund, LUST, Science and Technology, Oil Spill Response, and OIG.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$2,061,996,200 for environmental programs and management, a decrease of \$21,400,200 below the 2001 level and \$89,036,200 above the budget request.

*Enforcement.*—The Committee directs that Office of Enforcement and Compliance Assurance (OECA) activities within the Environmental Programs and Management account be funded at no less than fiscal year 2001 levels. In addition, the Committee's recommendation includes \$19,180,000 to restore 200 workyears to OECA, to be restored in the following manner:

To headquarters, 38.4 workyears are to be restored, of which: 3 workyears are to be restored to compliance incentives, 1.2 workyears are to be restored to capacity building, 12.4 workyears are to be restored to compliance monitoring, 10.1 workyears are to be restored to civil enforcement, 3.5 workyears are to be restored to criminal enforcement, 4.7 workyears are to be restored to enforcement training, 1 workyear is to be restored to NEPA implementation, .1 workyear is to be restored to environmental justice, and 2.4 workyears are to be restored to program management. In addition, the Committee directs EPA to continue the fiscal year 2001 levels of workyear and funding support for compliance assistance and data management.

To regional offices, 161.6 workyears are to be restored, of which: 7 workyears are to be restored to compliance assistance, 3 workyears are to be restored to compliance incentives, 6 workyears are to be restored to capacity building, 80.6 workyears are to be restored to compliance monitoring, and 79 workyears are to be restored to civil enforcement. In addition, the Committee directs EPA

to continue the fiscal year 2001 levels of workyear and funding support for data management and environmental justice.

The Committee's recommendation for environmental programs and management includes:

\$25,000,000 for the National Estuary Program, an increase of \$7,946,800 over the budget request and \$6,807,500 over the fiscal year 2001 level.

\$20,728,100 for the Chesapeake Bay Program, an increase of \$1,909,400 over the budget request and equal to the fiscal year 2001 level.

\$15,210,000 for the Great Lakes National Program Office.

\$2,500,000 for the Lake Champlain Basin Program.

\$2,500,000 for the Long Island Sound Program Office.

\$1,000,000 for the Lake Pontchartrain Basin Restoration Program.

\$1,400,000 for the Ohio River Watershed Pollutant Reduction Program, to be cost shared.

\$2,500,000 for the National Alternative Fuels Training Consortium.

\$2,300,000 for the Rural Community Assistance Program.

\$8,600,000 for the National Rural Water Association.

\$10,700,000 for the source water protection program.

\$550,000 for the Ground Water Protection Council.

\$200,000 for the Northeast Waste Management Officials Association to continue solid waste, hazardous waste, cleanup and pollution prevention programs.

\$300,000 for the water quality monitoring program along the New Jersey-New York shoreline.

\$1,750,000 for the Chesapeake Bay Small Watersheds Grants Program. The Committee expects that the funds provided for this program, managed by the Fish and Wildlife Foundation, shall be used for community-based projects including those that design and implement on-the-ground and in-the-water environmental restoration or protection activities to help meet Chesapeake Bay Program goals and objectives.

\$750,000 for the Maryland Bureau of Mines for an acid mine drainage remediation project.

\$1,000,000 for projects demonstrating the benefits of Low Impact Development along the Anacostia Watershed in Montgomery and Prince Georges Counties, Maryland.

\$500,000 for the Kenai River Center for continued research on watershed issues.

\$250,000 for the Vermont Department of Agriculture to work with conservation districts to reduce non-point source pollution run-off to the Poultney-Mettowee watershed.

\$100,000 for Fallon, Nevada, for arsenic removal technologies.

\$1,000,000 for the Columbia Basin Groundwater Management Area.

\$750,000 for the painting and coating assistance initiative through the University of Northern Iowa.

\$1,000,000 for the Frank M. Tejeda Center for Excellence in Environmental Operations.

\$750,000 for the Center for Agricultural and Rural Development at Iowa State University for the Resource and Agricultural Policy Systems program.

\$1,250,000 for the Green Bay Sewerage District Biosolids demonstration project.

\$100,000 for the American Farmland Trust to continue support for the design for the environment for farms program in Hawaii and the American Pacific.

\$400,000 for the County of Hawaii and the Hawaii Island Economic Development Board to establish and implement a community development model for renewable resource management by upgrading solid waste transfer stations into community recycling centers.

\$500,000 for the Small Business Pollution Prevention Center at the University of Northern Iowa.

\$1,000,000 for the City of Portland, Oregon wet weather demonstration project.

\$1,000,000 for Boise State University for developing multipurpose sensors to detect and analyze environmental contaminants.

\$700,000 for the Alabama Department of Environmental Management for the water and wastewater training program.

\$500,000 for the Economic Development Alliance of Hawaii to promote biotechnology to reduce pesticide use in tropical and subtropical agricultural production.

\$250,000 for the County of Maui for the control of nuisance seaweed accumulations on the beaches of Kihei, Maui, Hawaii.

\$200,000 for a study of air quality in the Shreve-Bossier area of Louisiana.

\$500,000 for cross-media and water quality monitoring in the Sweetwater River watershed, California.

\$900,000 for the Environmental Biotechnology Institute at the University of Idaho to develop selenium control technologies.

\$500,000 for Gateway Cities, California, diesel emissions reduction program.

\$4,200,000 for America's Clean Water Foundation for implementation of on-farm environmental assessments for livestock operations.

\$1,000,000 to continue the sediment decontamination technology demonstration in the New York-New Jersey Harbor.

\$850,000 for the Southcoast Harbor education and monitoring project.

\$850,000 for a biodiversity and ecosystems survey by Florida Atlantic University.

\$250,000 for the Envision Utah Project.

\$2,500,000 for the Southwest Center for Environmental Research and Policy.

\$2,000,000 for the Coeur d'Alene Basin Commission, established by the State of Idaho to carry out pilot program for environmental response, natural resource restoration and related activities.

\$250,000 for the Central California ozone study.

\$1,500,000 for the City of Fallon, Utah for arsenic removal studies.

\$250,000 for the Northwest Straits Commission.

\$900,000 for the City of Fort Wayne, Indiana for a model sewer improvement and stormwater retention project.

\$1,000,000 for the City of Hays, Kansas for the South Russell County Water Project.

\$4,000,000 for the Small Public Water System Technology Centers at Western Kentucky University, the University of New Hampshire, the University of Alaska-Sitka; Pennsylvania State University, the University of Missouri-Columbia, Montana State University, the University of Illinois, and Mississippi State University.

\$1,000,000 for the Food and Agriculture Policy Research Institute's Missouri watershed initiative project.

#### OFFICE OF INSPECTOR GENERAL

Appropriations, 2001 .....	\$34,019,000
Budget estimate, 2002 .....	34,019,000
Committee recommendation .....	34,019,000

#### PROGRAM DESCRIPTION

The Office of Inspector General (OIG) provides audit, evaluation, and investigation products and advisory services to improve the performance and integrity of EPA programs and operations.

Trust fund resources are transferred to this account directly from the hazardous substance Superfund.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$34,019,000 for the Office of Inspector General, the same as the budget request. In addition, \$11,867,000 will be available by transfer from the Superfund account, for a total of \$45,886,000. The trust fund resources will be transferred to the inspector general "General fund" account with an expenditure transfer.

#### BUILDINGS AND FACILITIES

Appropriations, 2001 .....	\$23,878,400
Budget estimate, 2002 .....	25,318,400
Committee recommendation .....	25,318,400

#### PROGRAM DESCRIPTION

The appropriation for buildings and facilities at EPA covers the necessary major repairs and improvements to existing installations which are used by the Agency. This appropriation also covers new construction projects when appropriate.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$25,318,400 for buildings and facilities, \$1,440,000 above the fiscal year 2001 level and the same as the budget request.

HAZARDOUS SUBSTANCE SUPERFUND  
(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$1,267,206,000
Budget estimate, 2002 .....	1,268,135,200
Committee recommendation .....	1,274,645,560

PROGRAM DESCRIPTION

On October 17, 1986, Congress amended the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [CERCLA] through the Superfund Amendments and Reauthorization Act of 1986 [SARA]. SARA reauthorized and expanded the hazardous substance Superfund to address the problems of uncontrolled hazardous waste sites and spills. Specifically, the legislation mandates that EPA: (1) provide emergency response to hazardous waste spills; (2) take emergency action at hazardous waste sites that pose an imminent hazard to public health or environmentally sensitive ecosystems; (3) engage in long-term planning, remedial design, and construction to clean up hazardous waste sites where no financially viable responsible party can be found; (4) take enforcement actions to require responsible private and Federal parties to clean up hazardous waste sites; and (5) take enforcement actions to recover costs where the fund has been used for cleanup. Due to the site-specific nature of the Agency's Superfund program, site-specific travel is not considered part of the overall travel ceiling set for the Superfund account.

COMMITTEE RECOMMENDATION

The Committee recommends \$1,274,645,560 for Superfund, an increase of \$6,510,360 above the budget request and \$7,439,560 above the fiscal year 2001 enacted level. The amount provided includes \$640,113,360 from general revenues, and the balance from the trust fund.

*Enforcement.*—The Committee directs that Office of Enforcement Compliance Assurance (OECA) activities within the Hazardous Substance Superfund account be funded at no less than fiscal year 2001 levels. In addition, the Committee's recommendation includes \$6,510,360 above the budget request to restore 68.1 workyears to OECA, to be restored in the following manner:

To headquarters, 68.1 workyears are to be restored, of which: 5.6 workyears are to be restored to maximize PRP response, .6 workyears are to be restored to cost recovery, .2 workyears are to be restored to develop IAGs with Federal facilities, 1.6 workyears are to be restored to civil enforcement, .9 workyears are to be restored to criminal enforcement, 1.5 workyears are to be restored to enforcement training, .4 workyears are to be restored to compliance incentives, and .2 workyears are to be restored to program management. In addition, the Committee directs EPA to continue the fiscal year 2001 level of workyear and funding support for IAG justice support, brownfields, data management, and environmental justice

To EPA regional offices, 57.1 workyears are to be restored, of which: 37 workyears are to be restored to maximize PRP response, 15.9 workyears are to be restored to cost recovery, 4.2 workyears

are to be restored to develop IAGs with Federal facilities, and .2 workyears are to be restored to program management.

The amount recommended also includes the full budget request of \$94,977,400 for brownfields.

#### LEAKING UNDERGROUND STORAGE TANK TRUST FUND

##### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$71,937,400
Budget estimate, 2002 .....	71,937,400
Committee recommendation .....	71,947,400

##### PROGRAM DESCRIPTION

The Superfund Amendments and Reauthorizations Act of 1986 [SARA] established the leaking underground storage tank [LUST] trust fund to conduct corrective actions for releases from leaking underground storage tanks containing petroleum and other hazardous substances. EPA implements the LUST program through State cooperative agreement grants which enable States to conduct corrective actions to protect human health and the environment, and through non-State entities including Indian tribes under section 8001 of RCRA. The trust fund is also used to enforce responsible parties to finance corrective actions and to recover expended funds used to clean up abandoned tanks.

##### COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$71,947,400 for the Leaking Underground Storage Tank Program, an increase of \$10,000 above the fiscal year 2001 enacted level. The Committee directs that not less than 85 percent of these funds be provided to the States and tribal governments.

*Enforcement.*—The Committee directs that the Office of Enforcement Compliance Assurance (OECA) activities within the Leaking Underground Storage Trust Fund Account be funded at no less than fiscal year 2001 levels. The Committee's recommendation includes \$9,590 to restore .1 workyears to the Office of Enforcement Compliance, to be restored to headquarters compliance assistance.

#### OILSPILL RESPONSE

##### (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$14,967,000
Budget estimate, 2002 .....	14,967,000
Committee recommendation .....	14,986,000

##### PROGRAM DESCRIPTION

This appropriation, authorized by the Federal Water Pollution Control Act of 1987 and amended by the Oil Pollution Act of 1990, provides funds for preparing for and preventing releases of oil and other petroleum products in navigable waterways. Also EPA is reimbursed for incident specific response costs through the Oil Spill Liability Trust Fund managed by the United States Coast Guard. EPA is responsible for: directing all cleanup and removal activities posing a threat to public health and the environment; conducting



site inspections, including compelling responsible parties to undertake cleanup actions; reviewing containment plans at facilities; reviewing area contingency plans; pursuing cost recovery of fund-financed cleanups; and conducting research of oil cleanup techniques. Funds for this appropriation are provided through the Oil-spill Liability Trust Fund which is composed of fees and collections made through provisions of the Oil Pollution Act of 1990, the Comprehensive Oil Pollution Liability and Compensation Act, the Deep-water Port Act of 1974, the Outer Continental Shelf Lands Act Amendments of 1978, and the Federal Water Pollution Control Act. Pursuant to law, the Trust Fund is managed by the United States Coast Guard.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$14,986,000 for the oilspill response trust fund, \$19,000 above the fiscal year 2001 enacted and the level budget request.

*Enforcement.*—The Committee directs that Office of Enforcement Compliance Assurance (OECA) activities within the Oilspill Response account be funded at no less than fiscal year 2001 levels. The Committee's recommendation includes \$19,180 to restore .2 workyears to OECA, to be restored to EPA regional offices for civil enforcement. In addition, the Committee directs EPA to continue the fiscal year 2001 level of workyear and funding support for headquarters civil enforcement and compliance assistance.

#### STATE AND TRIBAL ASSISTANCE GRANTS

Appropriations, 2001 .....	\$3,620,756,800
Budget estimate, 2002 .....	3,288,725,400
Committee recommendation .....	3,603,015,900

#### PROGRAM DESCRIPTION

The "State and tribal assistance grants" account funds grants to support the State revolving fund programs; State, tribal, regional, and local environmental programs; and special projects to address critical water and waste water treatment needs.

This account funds the following infrastructure grant programs: Clean Water and Drinking Water State Revolving Funds; United States-Mexico Border Program; and Alaska Native villages.

It also contains the following environmental grants, State/tribal program grants, and assistance and capacity building grants: (1) nonpoint source (sec. 319 of the Federal Water Pollution Control Act); (2) water quality cooperative agreements (sec. 104(b)(3) of FWPCA); (3) public water system supervision; (4) air resource assistance to State, regional, local, and tribal governments (secs. 105 and 103 of the Clean Air Act); (5) radon State grants; (6) water pollution control agency resource supplementation (sec. 106 of the FWPCA); (7) wetlands State program development; (8) underground injection control; (9) Pesticides Program implementation; (10) lead grants; (11) hazardous waste financial assistance; (12) pesticides enforcement grants; (13) pollution prevention; (14) toxic substances compliance; (15) Indians general assistance grants; (16) underground storage tanks; (17) enforcement and compliance assurance; (18) BEACHS Protection grants (sec. 406 of FWPCA as

amended); and (19) environmental information. As with the case in past fiscal years, no reprogramming requests associated with States and Tribes applying for Performance Partnership Grants need to be submitted to the Committee for approval should such grants exceed the normal reprogramming limitations.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$3,603,015,900 for State and tribal assistance grants, an increase of \$314,290,500 over the budget request and a decrease of \$17,740,900 below the fiscal year 2001 enacted level.

The Committee's recommendation does not include funding for the Administration's proposed State Enforcement Grants. Instead, the Committee directs EPA to continue the fiscal year 2001 level of workyear and funding support for State pesticide enforcement grants, State toxics enforcement grants, and sector and multimedia enforcement grants.

The Committee recognizes the critical need for substantial investments in our Nation's water infrastructure, and regrets that its recommendation cannot accommodate funding for the new Wet Weather grant program. The Committee acknowledges the enormous needs our communities face in seeking to upgrade combined sewer and sanitary sewer systems, and is deeply disappointed that the Administration chose to request funding for the Wet Weather program at the expense of the Clean Water State Revolving Loan Fund. This approach is specifically prohibited by the Wet Weather program authorization because it would weaken the clean water SRF. Instead, the Committee's recommendation has restored the Administration's \$500,000,000 cut to the clean water SRF, and will continue to provide targeted assistance to help communities meet combined and sanitary sewer needs.

The Committee's recommendation includes the Administration's request of \$25,000,000 for grants to be used in partnership with States and tribes to advance the National Environmental Information Exchange network (NEIEN) and State data integration efforts.

The Committee's recommendation also includes the following:

\$850,000,000 for drinking water State revolving funds, \$26,815,000 above the budget request and the fiscal year 2001 level.

\$1,350,000,000 for clean water State revolving funds, \$500,000,000 above the budget request and the same as the fiscal year 2001 level.

\$75,000,000 for water and wastewater projects on the United States-Mexico border. The Committee directs that of the funds provided for the United States-Mexico border projects, \$4,000,000 shall be for the El Paso-Las Cruces Sustainable Water Project, and \$2,000,000 shall be for the Brownsville water supply project. A provision has been included restricting border infrastructure funds to local communities that have a local ordinance or zoning rule regarding development.

\$40,000,000 for rural and Alaskan Native villages to address the special water and wastewater treatment needs of thousands of households that lack basic sanitation. The State of Alaska will provide a match of 25 percent.

\$140,000,000 for special needs infrastructure grants, as follows:

\$1,000,000 for the County of Hawaii to upgrade its drinking water system.

\$1,000,000 for the Grand Forks, North Dakota, water treatment plant.

\$2,000,000 for West Georgetown, South Carolina, regional wastewater treatment system.

\$3,000,000 for Fallon, Nevada for drinking water facility construction.

\$1,000,000 for the Laurens, South Carolina, water and sewer commission.

\$2,500,000 for the Pownal, Vermont, wastewater treatment project.

\$1,000,000 for East St. Johnsbury, Vermont, wastewater treatment project.

\$1,500,000 for the City of Mason, Iowa, drinking water facility construction.

\$1,500,000 for the City of Des Moines for storm sewer construction.

\$2,000,000 for the Milwaukee, Wisconsin Sewerage District for continued renovations and repairs to the sewer system.

\$1,000,000 for wastewater infrastructure needs of Minnesota's Mille Lacs regional wastewater treatment plant.

\$1,000,000 for the City of Racine, Wisconsin, drinking water treatment project.

\$2,000,000 for the City of Bremmerton, Washington, combined sewer overflow project.

\$4,800,000 for biological nutrient removal upgrades at the City of Salisbury, Maryland, wastewater treatment plant.

\$1,500,000 for the Wahkiakum County Public Utility District, Washington, drinking water facility project.

\$900,000 for North Sioux City, South Dakota, water and sewer infrastructure needs.

\$2,000,000 for the Williston, North Dakota, drinking water treatment project.

\$500,000 for the Santa Rosa, California, drinking water infrastructure needs.

\$500,000 for the Los Banos, California, wastewater and drinking water infrastructure project.

\$500,000 for Compton, California, sewer infrastructure needs.

\$500,000 for Sacramento, California, combined sewer system improvements.

\$250,000 for the Placer County, California, wastewater treatment project.

\$500,000 for biological nutrient removal upgrades at the Conococheague wastewater treatment plant, Washington County, Maryland.

\$500,000 for Rock Falls, Illinois, wastewater treatment improvements.

\$500,000 for Illinois' Clark-Edgar Rural Water District drinking water project.

\$500,000 for the Monmouth, Illinois, storm sewer project.

\$500,000 for Galena, Illinois, wastewater treatment improvements.

\$500,000 for the City of Paris, Illinois, for drinking water infrastructure needs.

\$500,000 for the City of Macomb, Illinois, for drinking water infrastructure needs.

\$2,000,000 for Aberdeen, South Dakota, drinking water facility improvements.

\$1,200,000 for Hill City, South Dakota, water and sewer infrastructure needs.

\$2,000,000 for the Orleans Parish, Louisiana, sanitary sewer inflow infiltration project.

\$500,000 for East Baton Rouge Parish, Louisiana, water and sewer infrastructure needs.

\$3,000,000 for the Narragansett Bay Commission, Rhode Island, for the combined sewer overflow project.

\$500,000 for the Town of Warren, Rhode Island, for sewer infrastructure needs.

\$2,000,000 for Eastern Orange and Seminole Counties, Florida, for wastewater treatment upgrades.

\$200,000 for Deer Lodge, Montana, sewer infrastructure needs.

\$500,000 for the Galen Campus sewer upgrade project in Anaconda, Montana.

\$2,000,000 for the Town of Millsboro, Delaware, for wastewater infrastructure needs.

\$250,000 for Lake County, California, for the Clear Lake Basin 2000 project.

\$2,000,000 for the City of Florence, Montana, for wastewater treatment improvements.

\$2,000,000 for Vinalhaven, Maine for wastewater infrastructure improvements.

\$2,000,000 for West Bottoms, Missouri, stormwater improvements.

\$250,000 for wastewater treatment planning for South Two-Mile Prairie, Missouri.

\$2,000,000 for the City of Roswell, Georgia, Big Creek Watershed drinking water and sewer infrastructure needs.

\$2,000,000 for the Bristol County, Massachusetts, combined sewer overflow projects.

\$3,000,000 for the City of Negaunee, Michigan, for wastewater treatment upgrades.

\$1,000,000 for the Genesee County, Michigan, wastewater treatment project.

\$1,000,000 for Vernon Township, New Jersey, for wastewater infrastructure improvements.

\$1,000,000 for drinking water infrastructure needs of Encinitas and Folsom, California.

\$1,000,000 for drinking water infrastructure needs in the New York City watershed.

\$1,500,000 for water and sewer infrastructure needs of New Britain, Connecticut.

\$750,000 for the City of Gallup, New Mexico, to upgrade its wastewater treatment plant.

\$1,000,000 for Camden, New Jersey, sewer infrastructure needs.

\$1,000,000 for Sandy, Utah for water and sewer infrastructure improvements.

\$700,000 for the Jordan Valley Water Conservancy District for a groundwater extraction treatment remedial project.

\$1,000,000 for the Coudersport Borough, Eulalia Township and Sweden Township in Potter County, Pennsylvania to expand the sewer system.

\$1,000,000 for Pelican, Alaska water and sewer improvements.

\$1,000,000 for the Ogden, Utah for final phase of sewer improvements at the former Defense Depot Ogden.

\$500,000 for the City of Norfolk, Virginia, to update wastewater pumping stations.

\$1,800,000 for Petersburg, Alaska for water and sewer upgrades.

\$4,000,000 for Jefferson City, Mississippi for a water and sewer improvements project.

\$1,500,000 for Lewis and Clark County for a wastewater development project.

\$1,000,000 for the Towns of Naturita and Nucia, Colorado to improve existing, antiquated potable water systems to meet EPA standards.

\$1,000,000 for the City of Montrose, Colorado for the Montrose Wastewater Inflow and Infiltration project.

\$500,000 for Rainbow City, Alabama for the construction of an emergency response system for sewage lagoons.

\$500,000 for Byesville, Ohio for the Byesville Water Treatment Plan.

\$3,000,000 for the City of Ocean Springs, Mississippi for wastewater improvements.

\$500,000 for the City of Calais, Maine to develop a safe drinking water system.

\$1,200,000 for the Dona Ana Mutual Domestic Water consumers Association to upgrade water systems.

\$1,000,000 for the City of Akron, Ohio for its combined sewer overflow long-term plan.

\$500,000 for the City of Port Clinton, Ohio for its wastewater treatment plan.

\$1,000,000 for Lincoln, Nebraska for wastewater management.

\$3,800,000 for the North and South Valley of the City of Albuquerque and the County of Bernalillo, New Mexico for a regional and wastewater project.

\$1,500,000 for the City of Berlin, New Hampshire for water infrastructure improvements.

\$500,000 for Oxnard, California, area drinking water infrastructure needs.

\$500,000 for Salem, New Hampshire to remediate the contamination of private wells.

\$1,000,000 for Omaha, Nebraska to upgrade sewer and sanitary water infrastructure.

\$1,000,000 for Henderson, North Carolina for the second phase rehabilitation and expansion of the water treatment facilities of the Kerr Lake Regional Water System.

\$2,000,000 for Union County, Arkansas for a community drinking water system.

\$2,000,000 for the City of Lawton, Oklahoma for the rehabilitation of its wastewater infrastructure.

\$1,000,000 for the State of Arizona Water Infrastructure Finance Authority for the City of Stafford Wastewater Treatment Facility.

\$1,000,000 for the Southeast Alabama Regional Water Authority for a water facility project.

\$700,000 for the Caroline County Dawn Sewer project in Bowling Green, Virginia.

\$600,000 for Grant, Alabama for wastewater collection and treatment facilities.

\$1,000,000 for the City of Jackson, Alabama for water system improvements.

\$2,000,000 for the Three Rivers Wet Weather Demonstration program in the greater Pittsburgh area.

\$1,000,000 for the Upper Milford Township Sewer Project in Lehigh County, Pennsylvania.

\$1,800,000 of the Ketchikan Gateway Borough for sewer and water improvements.

\$1,000,000 for Daviess County, Kentucky, for drainage improvements.

\$750,000 for the City of Bancroft, Idaho, for water system upgrades.

\$750,000 for the City of Burley, Idaho, to continue work on a wastewater treatment system project.

\$1,000,000 for the City of Lebanon, Missouri, for a stormwater overflow system.

\$1,000,000 for a Gravity Wastewater Collection System in the Snowden and 6-Mile Communities in Charleston County, South Carolina.

\$1,500,000 for Wasilla, Alaska water and sewer improvements.

\$3,000,000 for the Girdwood, Alaska water extension.

\$3,000,000 for addressing above ground leaking fuel tanks in Alaska.

\$500,000 for the City of Lake St. Louis, Missouri for a Water Quality study of Peruque Creek Watershed.

\$900,000 for Bates County Commission, Missouri, to coordinate and implement efforts to assist local municipalities address their drinking water needs.

\$1,500,000 for Camden County Missouri Public Waste Water facility for sewer and water improvements.

\$1,500,000 for the City of Cape Girardeau Missouri for waste water and sewer improvements.

\$1,000,000 for the City of Lawrenceville, Illinois for a wastewater treatment facility.

\$2,000,000 for the City of St. Louis Metropolitan Sewer District for ongoing improvements.

\$2,000,000 for the City of Kansas City, Missouri for Phase II stormwater sewer system in the Central Industrial District.

\$1,000,000 for the Lower John Day Region in Oregon for a water and wastewater treatment facilities.

\$1,000,000 for Jaffrey, New Hampshire, for a wastewater treatment facility.

EPA is to work with the grant recipients on appropriate cost-share arrangements consistent with past practice.

The Committee has included bill language, which has been carried for several years, clarifying that drinking water health effects research is to be funded out of the science and technology account only.

Bill language is included, as the administration requested, regarding section 319 grants to Indian tribes.

#### ADMINISTRATIVE PROVISIONS

Bill language is included, as proposed by the Administration, regarding tribal set-asides for the Non-point Source (section 319) grants and the Clean Water SRF. Also included is bill language to continue to the transfer authority between the Clean Water and Drinking Water SRFs. The Committee's recommendation extends this authority for fiscal year 2002 only. The Administration had requested a permanent extension of this authority. The Committee has also included language, carried last year, regarding development along the US-Mexico border, as it relates to the colonias.

#### EXECUTIVE OFFICE OF THE PRESIDENT

##### OFFICE OF SCIENCE AND TECHNOLOGY POLICY

Appropriations, 2001 .....	\$5,190,000
Budget estimate, 2002 .....	5,267,000
Committee recommendation .....	5,267,000

#### PROGRAM DESCRIPTION

The Office of Science and Technology Policy [OSTP] was created by the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94-238) and coordinates science and technology policy for the White House. OSTP provides authoritative scientific and technological information, analysis, and advice for the President, for the executive branch, and for Congress; participates in formulation, coordination, and implementation of national and international policies and programs that involve science and technology; maintains and promotes the health and vitality of the U.S. science and technology infrastructure; and coordinates research and development efforts of the Federal Government to maximize the return on the public's investment in science and technology and to ensure Federal resources are used efficiently and appropriately.

OSTP provides support for the National Science and Technology Council [NSTC].

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$5,267,000 for the Office of Science and Technology Policy. This amount is the

same as the budget request and \$77,000 above the fiscal year 2001 enacted level.

The Committee remains concerned about the impact NASA's latest space station cost over-run will have on both NASA-supported research programs and the research capabilities of the International Space Station. The Committee believes the President's Science Advisor should play a critical role in the decision-making and re-scoping process the Administration is going through so that the International Space Station does not fall short of becoming the world class research facility it was always proposed to be. Similarly, the Committee believes the President's Science Advisor should play an integral role in advising the President on the appropriate balance among and between disciplines and agencies in the Federal R&D portfolio. The Committee expects the Science Advisor will conduct effective outreach to the science and engineering community and become an active and influential advisor to the President on important public policy issues grounded in science and technology.

The Committee notes that the government share for R&D funding has declined substantially over the last 15 years. According to a recent report by the Council on Competitiveness, in real terms, the total Federal contribution to the Nation's R&D portfolio dropped from 46 percent in 1985 to 27 percent in 1999. However, industry's dependence on public R&D for innovation remains very high. Over 73 percent of U.S. industry patents cite publically funded science as the basis for the invention. The Committee is concerned that further reductions in public funding for science and engineering could result in a decrease in the private sector's capacity to innovate.

The Committee is similarly concerned with recent funding trends for Federal R&D which have led to significant shifts within the balance of the Nation's research portfolio. A recent report by the National Academies' Board on Science, Technology, and Economic Policy concluded that between 1993 and 1999 support for such fields as the geological sciences, chemical, electrical, and mechanical engineering, chemistry and physics are down by as much as 20 percent or more. The decline in research funding has contributed to a decline in enrollment of graduate students in these disciplines. These trends concern the Committee because the affected fields generate knowledge and trained personnel that are critically important for economic performance, national defense, and the health and well being of our citizens. The Committee directs the Office of Science and Technology Policy to assess the impact of these reductions on these public policy objectives. Based on this assessment, OSTP should develop an action plan to address these issues in the fiscal year 2003 budget request.

The Committee is also concerned about the adequacy of this Nation's scientific and technical workforce, the Nation's dependency on foreign workers to meet our own scientific and technical workforce needs, and the efforts needed to boost the participation of women and minorities in the science and engineering workforce.

The Committee urges OSTP to work with the relevant agencies on the development of policies and in the allocation of resources to address these issues effectively.



The Committee reiterates its long standing interest in improving coordination and cooperation among the various R&D agencies under the auspices of OSTP and the National Science and Technology Council (NSTC). The Committee expects the President's Science Advisor will quickly re-invigorate the NSTC process by defining a key set of strategic issues and establishing a small number of effectively led interagency committees to move these issues through the policy and budget processes.

The Committee is strongly supportive of the interagency nanoscience and technology initiative and urges OSTP and the interagency working group to continue to refine and strengthen the emerging research, education and training objectives. As a supplement to the fiscal year 2001 request, the Administration produced a nanotechnology management and implementation plan. The report highlighted the key themes and management objectives as well as the various agencies' roles and responsibilities. The Committee directs OSTP and the National Science and Technology Council's nanotechnology working group to update that report as a supplement to the fiscal year 2003 budget request. The Committee is particularly interested in the efforts to transfer nanotechnology research results into applications and urges OSTP to ensure that the fiscal year 2003 report address this issue in detail.

For the past several years, the Committee has followed with interest the progress that has been made in high field nuclear magnetic resonance instrumentation and has requested OSTP to assess the future needs in this field. At present, the greatest impediment in this area is the lack of an available NMR with capabilities at 900Mz and higher. Several companies and the National High Magnetic Field Laboratory will soon test and possibly make available such an instrument. The Committee encourages OSTP and other agencies interested in this new technology to monitor the progress of these efforts closely. As these instruments become operative and available to the research community, it is expected that OSTP will move forward on an interagency initiative that will allow U.S. scientists to take full advantage of these new instruments. The Committee encourages novel linkages and collaborations among leading academic institutions and national laboratories to respond to these new opportunities.

The Committee maintains significant interest in an integrated interagency ocean observing system. Such a system would bring together Federal, academic, State institutions, and industry into a coordinated system for monitoring U.S. marine waters. A coordinated national approach, linked effectively with similar programs in other nations, is an essential prerequisite for effective use and management of the oceans. The nation cannot realize the economic, social and security benefits of the oceans in a responsible, sustainable manner without such a program. A number of agencies including OSTP, NOAA, NSF, and the Office of Naval Research have varying interests and responsibilities in this area. The Committee directs OSTP, working through the National Science and Technology Council and with the external oceans community, to develop an interagency plan for the research, technology demonstration and ultimately, the implementation of an ocean observing system and

submit this report to the Committee at the time the President's fiscal year 2003 budget is released.

In the conference report that accompanied the Fiscal Year 2001 Appropriations Act, the Committee directed OSTP to work with the National Security Council, NASA, and the Department of State to issue a clarification of the International Traffic in Arms Regulation (ITAR) to ensure that university collaborations and personnel exchanges are allowed to continue as they had under the long-standing fundamental research exception in the Export Administration Regulations. This clarification was to be issued within 120 days of enactment of the fiscal year 2001 Act. Regrettably this clarification has not yet been issued. The Committee directs OSTP to complete the interagency consultation process and issue this clarification immediately.

The Committee recognizes the administration's recent efforts to combat the fear and hysteria being generated around the use of biotechnology. Despite these efforts, misinformation about the scientific facts on biotechnology continue to be spread through various media outlets. Accordingly, the Committee urges the Science Advisor to work with other Federal research agencies such as NSF, the Department of Agriculture, the Food and Drug Administration, and EPA to develop a coordinated and coherent strategy to ensure that the public is informed and educated about the scientific facts and reasons behind biotechnology.

#### COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Appropriations, 2001 .....	\$2,893,620
Budget estimate, 2002 .....	2,974,000
Committee recommendation .....	2,974,000

#### PROGRAM DESCRIPTION

The Council on Environmental Quality/Office of Environmental Quality was established by the National Environmental Policy Act and the Environmental Quality Improvement Act of 1970. The Council serves as a source of environmental expertise and policy analysis for the White House, Executive Office of the President agencies, and other Federal agencies. CEQ promulgates regulations binding on all Federal agencies to implement the procedural provisions of the National Environmental Policy Act and resolves inter-agency environmental disputes informally and through issuance of findings and recommendations.

#### COMMITTEE RECOMMENDATION

The Committee has provided \$2,974,000 for the Council on Environmental Quality, an increase of \$80,380 above the fiscal year 2001 enacted level.

Bill language relative to the use of detailees has been continued again this year.

FEDERAL DEPOSIT INSURANCE CORPORATION  
OFFICE OF INSPECTOR GENERAL

Appropriations, 2001 .....	\$33,585,948
Budget estimate, 2002 .....	33,660,000
Committee recommendation .....	33,660,000

PROGRAM DESCRIPTION

Prior to 1998, the FDIC inspector general's budgets have been approved by the FDIC's Board of Directors from deposit insurance funds as part of FDIC's annual operating budget that is proposed by the FDIC Chairman. A separate appropriation more effectively ensures the independence of the OIG.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$33,660,000 for the FDIC inspector general, which are to be derived by transfer from the bank insurance fund, the savings association insurance fund, and the FSLIC resolution fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Appropriations, 2001 .....	<sup>1</sup> \$2,434,432,000
Budget estimate, 2002 .....	2,212,945,000
Committee recommendation .....	<sup>2</sup> 3,277,945,000

<sup>1</sup>Includes \$1,297,140,000 in contingency funds.

<sup>2</sup>Includes \$2,000,000,000 in contingency funds.

GENERAL DESCRIPTION

FEMA is responsible for coordinating Federal efforts to reduce the loss of life and property through a comprehensive risk-based, all hazards emergency management program of mitigation, preparedness, response, and recovery.

COMMITTEE RECOMMENDATION

The Committee recommends \$3,277,945,000 for the Federal Emergency Management Agency. This appropriation provides funding for disaster relief, emergency management planning, emergency food and shelter and the Inspector General.

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	<sup>1</sup> \$1,596,480,000
Budget estimate, 2002 .....	1,369,399,000
Committee recommendation .....	<sup>2</sup> 2,359,399,000

<sup>1</sup>Includes \$1,297,140,000 in contingency funds.

<sup>2</sup>Includes \$2,000,000,000 in contingency funds.

PROGRAM DESCRIPTION

Through the Disaster Relief Fund (DRF), FEMA provides a significant portion of the total Federal response to victims in Presidentially declared major disasters and emergencies. Major disasters are declared when a State requests Federal assistance and has

proven that a given disaster is beyond the State's capacity to respond. Under the DRF, FEMA provides three main types of assistance: individual and family assistance; public assistance, which includes the repair and reconstruction of State, local and non-profit infrastructure; and hazard mitigation.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$359,399,000 for disaster relief, and an additional \$2,000,000,000 in disaster relief contingency funds.

The Committee has included bill language making available up to \$15,000,000 for map modernization activities in areas which receive Presidential disaster declarations. The Committee believes it is critical that accurate maps are developed following disasters to ensure reconstruction activities are carried out in accordance with appropriate codes and standards. These funds are limited strictly to mapping needs associated with post-disaster reconstruction activities only.

The Administration proposed in its budget for FEMA to reduce the Federal share of funding for hazard mitigation from 75 percent to 50 percent. The Administration said that this would help to ensure that States and localities would make a significant commitment to preparing for disasters before they happen. Contrary to the Administration's assertion, the Committee believes that increasing the State and local share of costs for mitigation projects will result in fewer mitigation measures being accomplished. The FEMA Director also expressed "deep concerns" about increasing the State and local cost sharing for hazard mitigation funding. Therefore, the Committee does not support the Administration's proposal and directs FEMA to continue to operate the hazard mitigation program with the existing 75/25 cost sharing formula.

#### DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

##### (LIMITATION ON DIRECT LOANS)

##### STATE SHARE LOAN

	Program account	Administrative expenses
Appropriations, 2001 .....	\$1,678,000	\$427,000
Budget estimate, 2002 .....	405,000	543,000
Committee recommendation .....	405,000	543,000

#### PROGRAM DESCRIPTION

Disaster assistance loans authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act 42 U.S.C. 5121 et seq. are loans to States for the non-Federal portion of cost sharing funds and community disaster loans to local governments incurring substantial loss of tax and other revenues as a result of a major disaster. The funds requested for this program include direct loans and a subsidy based on criteria including loan amount and interest charged.

## COMMITTEE RECOMMENDATION

For the State Share Loan Program, the Committee has provided \$25,000,000 in loan authority and \$543,000 in administrative expenses. For the cost of subsidizing the appropriation, the bill includes \$405,000.

## SALARIES AND EXPENSES

Appropriations, 2001 .....	\$214,527,000
Budget estimate, 2002 .....	233,801,000
Committee recommendation .....	233,801,000

## PROGRAM DESCRIPTION

This account provides the necessary resources to administer the Agency's various programs at headquarters and in the regions; and the general management and administration of the Agency in legal, congressional, government, and media affairs, and financial and personnel management, as well as the management of the Agency's national security program.

## COMMITTEE RECOMMENDATION

The Committee recommends \$233,801,000 for FEMA salaries and expenses. This is equal to the request and an increase of \$19,274,000 above the fiscal year 2001 enacted level. In addition, the amount provided allows for the enhancements in terrorism-related programs as requested by the administration.

The Committee's recommendation includes \$11,000,000 to support FEMA's lead agency responsibilities for consequence management at the Olympics and Paralympics. The Committee supports the recent creation of the Office of National Preparedness to coordinate all Federal programs dealing with weapons of mass destruction consequence management, as directed by the President. FEMA should provide the Committee with a report, reflecting the input of all the Federal agencies involved in the President's consequence management activity, outlining the various roles and responsibilities of the agencies involved in this important initiative. This report should be submitted to the Committee by January 31, 2002.

## OFFICE OF THE INSPECTOR GENERAL

Appropriations, 2001 .....	\$9,978,000
Budget estimate, 2002 .....	10,303,000
Committee recommendation .....	10,303,000

## PROGRAM DESCRIPTION

This appropriation provides agency-wide audit and investigative functions to identify and correct management and administrative deficiencies, which create conditions for existing or potential instances of fraud, waste, and mismanagement. The audit function provides internal audit, contract audit, and inspection services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters relative to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of agency operations.

## COMMITTEE RECOMMENDATION

The Committee recommends \$10,303,000 for the Office of the Inspector General, an increase of \$325,000 above the fiscal year 2001 enacted level.

Bill language has been retained which authorizes the FEMA Inspector General to serve also as the IG for the Chemical Safety and Hazard Investigation Board.

## EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

Appropriations, 2001 .....	\$368,839,000
Budget estimate, 2002 .....	354,623,000
Committee recommendation .....	429,623,000

## PROGRAM DESCRIPTION

The emergency management planning and assistance appropriation provides resources for the following activities: response and recovery; preparedness; training and exercises; information technology services; fire prevention and training; operations support; policy and regional operations; mitigation programs; and executive direction.

## COMMITTEE RECOMMENDATION

The Committee recommends \$429,623,000 for emergency management planning and assistance. This is an increase of \$60,784,000 above the fiscal year 2001 level and \$75,000,000 above the request.

The Committee has included in the bill \$25,000,000 for the reinstatement of the Project Impact program. The Committee believes that Project Impact is a valuable effort that helps to raise visibility and awareness for the need for pre-disaster mitigation activities and directs FEMA to use these resources to continue the program in fiscal year 2002.

The Committee has included \$150,000,000 for the fire grant program. This is \$50,000,000 more than the request and the fiscal year 2001 funding level. In response to the fiscal year 2001 solicitation FEMA received more than 30,000 proposals requesting a total of nearly \$3,000,000,000 for funds in the six eligible categories of training, wellness and fitness programs, vehicles, fire fighting equipment, personal protective equipment, and fire prevention programs.

However, for many fire departments, the application process can be complex and burdensome. Many smaller fire companies do not have the resources to devote to preparing a lengthy application. Therefore, the Committee directs FEMA to simplify and streamline the application process for the fiscal year 2002 solicitation. In addition, the Committee directs FEMA to create a permanent advisory committee comprised of local and State fire officials to advise the Director on ways to simplify the grant application process and improve the overall program.

## RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

The Radiological Emergency Preparedness [REP] Program assists State and local governments in the development of offsite radiological emergency preparedness plans within the emergency planning zones of commercial nuclear power facilities licensed by the Nuclear Regulatory Commission [NRC].

The fund is financed from fees assessed and collected from the NRC licensees to recover the amounts anticipated by FEMA to be obliterated in the next fiscal year for expenses related to REP program activities. Estimated collections for fiscal year 2002 are \$1,000,000.

## EMERGENCY FOOD AND SHELTER

Appropriations, 2001 .....	\$139,692,000
Budget estimate, 2002 .....	139,692,000
Committee recommendation .....	139,692,000

## PROGRAM DESCRIPTION

The Emergency Food and Shelter Program originated as a one-time emergency appropriation to combat the effects of high unemployment in the emergency jobs bill (Public Law 98-8) which was enacted in March 1983. It was authorized under title III of the Stewart B. McKinney Homeless Assistance Act of 1987, Public Law 100-177.

The program has been administered by a national board and the majority of the funding has been spent for providing temporary food and shelter for the homeless, participating organizations being restricted by legislation from spending more than 3.5 percent of the funding received for administrative costs.

## COMMITTEE RECOMMENDATION

The Committee recommends \$139,692,000 for the Emergency Food and Shelter Program, the same as the fiscal year 2001 level and the budget request.

## NATIONAL FLOOD INSURANCE FUND

## (INCLUDING TRANSFERS OF FUNDS)

## PROGRAM DESCRIPTION

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Government to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities which enact and enforce appropriate flood plain management measures. Communities must participate in the program within 1 year of the time they are identified as flood-prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes. In 2000, the budget assumes collection of all the administrative and program costs associated with flood insurance activities from policyholders.

Under the Emergency Program, structures in identified flood-prone areas are eligible for limited amounts of coverage at sub-

sidized insurance rates. Under the regular program, studies must be made of different flood risks in flood prone areas to establish actuarial premium rates. These rates are charged for insurance on new construction. Coverage is available on virtually all types of buildings and their contents in amounts up to \$350,000 for residential and \$1,000,000 for other types.

#### COMMITTEE RECOMMENDATION

The Committee has included bill language, providing up to \$28,798,000 for administrative costs from the Flood Insurance Program for salaries and expenses. The Committee has also included bill language providing up to \$76,381,000 for flood mitigation activities including up to \$20,000,000 for expenses under section 1366 of the National Flood Insurance Act.

The Committee directs FEMA to prepare a thorough cost-benefit analysis and conduct extensive outreach to potentially affected communities prior to issuing any rule or regulation pertaining to insuring public buildings. The Committee expects this matter to be priority within the agency.

The Committee is aware that the total cost of updating and modernizing flood maps is estimated at \$700,000,000. The Committee's recommendation includes the \$15,000,000 requested under the Disaster Relief Fund and the request to transfer up to an additional \$7,000,000 in prior year flood insurance policy fee collections to support flood map modernization activities. The Committee strongly urges FEMA to consult with other Federal and State entities and its authorizing committees so that a viable program can be put in place to address the serious need for flood map modernization.

The budget request includes a program to address the issue of repetitive loss properties within the National Flood Mitigation Program. The Committee is concerned that this new program could fall heavily on properties in lower income areas, such as older neighborhoods in communities built along rivers. The Committee also understands that authorization legislation dealing with this issue is under consideration by one or more congressional committees. The Committee urges FEMA to undertake a comprehensive study on repetitive loss and submit the report to the Committee by the end of March 2002. The study should include options that disclose the best means to ensure that the affected properties can be brought into compliance with flood risk standards. Options should address all available measures, such as the Increased Cost of Compliance program Congress enacted in the 1994 disaster relief act, and other public and private options.

#### NATIONAL FLOOD MITIGATION FUND

##### PROGRAM DESCRIPTION

Through fee-generated funds transferred from the National Flood Insurance Fund, this fund would support activities to eliminate pre-existing, at-risk structures that are repetitively flooded, and provides flood mitigation assistance planning support to States.



## COMMITTEE RECOMMENDATION

Through fee-generated funds totaling \$20,000,000 in fiscal year 2001 transferred from the National Flood Insurance Fund, the National Flood Mitigation Fund will provide a mechanism to reduce the financial burden of pre-existing, at-risk structures that are repetitively flooded by removing or elevating these structures out of flood hazard areas, as well as provide flood mitigation assistance planning support to States and communities.

## GENERAL SERVICES ADMINISTRATION

## FEDERAL CONSUMER INFORMATION CENTER FUND

Appropriations, 2001 .....	\$7,106,332
Budget estimate, 2002 .....	7,276,000
Committee recommendation .....	7,276,000

## PROGRAM DESCRIPTION

The Consumer Information Center [CIC] was established within the General Services Administration [GSA] by Executive Order on October 26, 1970, to help Federal departments and agencies promote and distribute consumer information collected as a byproduct of the Government's program activities.

On January 28, 2000, the Consumer Information Center assumed responsibility for the operations of the Federal Information Center [FIC] program with the resulting organization being officially named the Federal Consumer Information Center [FCIC]. The FIC program was established within the General Services Administration in 1966, and was formalized by Public Law 95-491 in 1980. The program's purpose is to provide the public with direct information about all aspects of Federal programs, regulations, and services. To accomplish this mission, the FIC uses contractual services to respond to public inquiries via a nationwide toll-free telephone call center. The FIC was previously funded by the Treasury and General Government Appropriations Act.

The new Federal Consumer Information Center combines the nationwide toll-free telephone assistance program and the database of the FIC with the CIC website and publications distribution programs. The FCIC is a one-stop source for citizens to get information about government programs and everyday consumer issues.

Public Law 98-63, enacted July 30, 1983, established a revolving fund for the CIC. Under this fund, FCIC activities are financed from the following: annual appropriations from the general funds of the Treasury, reimbursements from agencies for distribution of publications, user fees collected from the public, and any other income incident to FCIC activities. All are available as authorized in appropriation acts without regard to fiscal year limitations.

## COMMITTEE RECOMMENDATION

The Committee recommends the budget request of \$7,276,000 for the Federal Consumer Information Center, an increase of \$169,688 above the fiscal year 2001 enacted level.

The appropriation will be augmented by reimbursements from Federal agencies for distribution of consumer publications, user

fees from the public, and other income. FCIC's anticipated resources for fiscal year 2002 will total approximately \$10,900,000.

#### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Appropriations, 2001 .....	\$14,253,872,000
Budget estimate, 2002 .....	14,511,400,000
Committee recommendation .....	14,561,400,000

#### GENERAL DESCRIPTION

The National Aeronautics and Space Administration (NASA) was established by the National Aeronautics and Space Act of 1958 to conduct space and aeronautical research, development, and flight activities for peaceful purposes designed to maintain U.S. pre-eminence in aeronautics and space. NASA's unique mission of exploration, discovery, and innovation is intended to preserve the United States' role as both a leader in world aviation and as the pre-eminent space-faring nation. It is NASA's mission to: advance human exploration, use and development of space; advance and communicate scientific knowledge and understanding of the Earth, the Solar System and the Universe; and research, develop, verify and transfer advanced aeronautics and space technologies.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$14,561,400,000 for the National Aeronautics and Space Administration for fiscal year 2002, an increase of \$307,528,000 above the fiscal year 2001 enacted level.

The Committee has modified the account structure as proposed under the budget request. The Committee has transferred the research program of the International Space Station (ISS) from the Human Space Flight Account to the Science, Aeronautics and Technology Account as requested by NASA and the Office of Management and Budget. All other ISS programs will remain within the Human Space Flight account.

During fiscal year 2002 the Committee directs NASA to include the outyear budget impacts on all reprogramming requests and include the outyear budget impact of all missions in the annual operating plan. The operating plan and all resubmissions also should include an accounting of all program/mission reserves.

The Committee remains sensitive to continuing risks regarding the illegal transfer and theft of sensitive technologies that can be used in the development of weapons by governments, entities and persons who may be hostile to the United States. The Committee commends both NASA and the NASA Inspector General (IG) for their efforts to protect sensitive NASA-related technologies. Nevertheless, this will remain an area of great sensitivity and concern as the development of technological advances likely will continue to accelerate. The Committee directs NASA and the NASA IG to report annually on these issues, including an assessment of risk.

#### HUMAN SPACE FLIGHT

Appropriations, 2001 .....	\$5,450,882,000
Budget estimate, 2002 .....	7,296,000,000
Committee recommendation .....	6,868,000,000

## GENERAL DESCRIPTION

NASA's "Human Space Flight" account provides for human space flight activities, and for safety, mission assurance and engineering activities supporting the Agency. The HSF activities are centered around the operation of the Space Shuttle as well as high priority investments to improve the safety of the Space Shuttle and required construction projects in direct support of the Shuttle program. This appropriation also provides for salaries and related expenses (including travel); design, repair, rehabilitation, and modification of facilities and construction of new facilities; maintenance and operation of facilities; and other operations activities supporting human space flight programs; and space operations, safety, mission assurance and engineering activities that support the Agency.

The Human Exploration and Development of Space (HEDS) Enterprise seeks to expand the frontiers of space and knowledge by exploring, using and enabling the development of space. HEDS seeks ways to improve human possibilities both on Earth and in space, such as: how systems can be designed to make possible safe and efficient human exploration and commercial development of space; what resources the solar system may provide, where they are, and whether they are accessible for human use; how human productivity in and beyond Earth orbit can be assured.

The Space Shuttle is a partially reusable space vehicle that provides several unique capabilities to the United States space program. These include retrieving payloads from orbit for reuse, servicing and repairing satellites in space, safely transporting humans to and from space, launching ISS components, providing an assembly platform in space and operating and returning space laboratories. In fiscal year 2002, seven flights are planned including a dedicated microgravity research flight, a Hubble Telescope servicing mission (HST-3B) and five ISS assembly and servicing missions. The proposed budget also supports key Space Shuttle safety investments as part of the Integrated Space Transportation Plan.

## COMMITTEE RECOMMENDATION

The Committee has provided \$6,868,000,000 for the Human Space Flight account. This amount is \$428,000,000 less than the President's request for these activities in fiscal year 2002 and \$1,417,118,000 more than the fiscal year 2001 level.

*Space Station.*—The Committee is deeply troubled by the latest major cost overrun on the International Space Station program. The Committee appreciates the complexity of this program and is proud of the success to date in assembling the components in orbit. However, the Committee has lost confidence in the program's ability to responsibly manage the budget and avert the type of crisis that the program has created. In February 2001, the program reported a stunning \$4,000,000,000 overrun over 5 years. Then after NASA insisted that the \$4,000,000,000 estimate was conservative and represented the high mark, the Committee learned in June 2001 that the overrun increased by another \$800,000,000, bringing the total overrun to \$4,800,000,000. This represents a stunning 114 percent overrun for the development and operations of the pro-

gram, which is all the more amazing since the program reported less than a year ago no such overrun. Currently, even after proposing to eliminate hardware to support more than three crew members and cutting research equipment by \$1,000,000,000, the program still reports it is \$500,000,000 short in fiscal year 2004 through fiscal year 2006.

The Committee is deeply concerned that this mismanagement is not only a threat to the completion of Station, but represents a grave risk to other important programs within the agency. The Committee will not accept any proposal that seeks to fund Station cost growth through offsets taken from other NASA Enterprises. The Committee directs NASA to avoid such offsets and warns that any such attempts will seriously undermine continued Committee support for the Station program.

Despite this fiscal mismanagement, the Committee is committed to completing a Space Station; one that is capable of supporting world-class research. The Committee supports the Administration's approach to reining in Station cost growth, reforming program management to avoid cost overruns in the future, and creating an independent panel to validate the budget estimates and management reforms.

The Committee is taking the following steps to address this situation. First, in order to ensure the continued assembly and safe operation of the Station, the Committee provides \$1,681,300,000 in fiscal year 2002 for Station development and operations. This funding level is below the President's request due to the transfer of Space Station research funds from the Human Space Flight account to the Science, Aeronautics and Technology account and a general reduction of \$150,000,000 from the Space Station budget. Within the general reduction, \$50,000,000 is redirected to the Space Shuttle for safety upgrades. The Committee takes this general reduction without prejudice in light of the construction delays and uncertainty over the Space Station's final design.

Second, in order to better control Station costs for development and operations, the Committee establishes in bill language annual spending limits on Station development and operations that equals \$6,678,400,000 in aggregate from fiscal year 2002 to fiscal year 2006. Moreover, any proposal to exceed these limits, or enhance Station design above the U.S. core complete, must be accompanied by a Presidential certification that states that the additional funds are a priority, cost estimates are well understood and independently validated, and it is affordable without any offsets to science and technology programs contained in other NASA Enterprises.

Third, in order to ensure world-class research aboard Station, the Committee: (1) adds \$50,000,000 to NASA's \$283,600,000 request for Station research to increase funding for life and micro-gravity research; (2) transfers the \$333,600,000 Station research budget, which includes the \$50,000,000 increase for research, from the Human Space Flight appropriation account to the Science, Aeronautics, and Technology appropriation account; (3) places Station research under the management of the Office of Biological and Physical Research (OBPR); (4) directs OBPR to rebalance funding, as appropriate, between ground and flight activities while minimizing funds for lower priority supporting activities; (5) directs

NASA to award during fiscal year 2002 one or more definition studies for a non-government organization to manage the Station research program; and (6) provides bill language that limits transfer authority into the Science, Aeronautics, and Technology (SAT) account; no funds may be transferred from the SAT account to the Human Space Flight account.

Finally, in order to ensure adequate crew time for Station research, the Committee directs NASA to create a special task group, with members independent of the Space Station program and reporting directly to the NASA Administrator, that will develop and assess low cost options for enhancing crew time for Station research above the 20 hours per week projected for a three-person crew, particularly in the post-2005 time frame. No option should cost NASA more than \$300,000,000 in aggregate from fiscal year 2003 through fiscal year 2007. Options should include operational approaches that allow the three crew members to spend more time on research; extended Shuttle visits that allow the Shuttle crew of five to seven astronauts to spend more time aboard Station; and opportunities with the international partners, including possible purchases of Soyuz vehicles through common operations offsets and other means, that allow additional full time crew members above the three planned. In particular, extended Shuttle visits may allow additional habitation space for increased science research while providing crew return capability.

The task group should also openly solicit ideas from U.S. industry on innovative approaches to increasing crew time for research, as well as to enhance research flight opportunities, either on Station or on other platforms. The results of this task group should be submitted to the Committee by February 2002.

*Space Shuttle.*—The Committee has increased funding for safety upgrades to the Space Shuttle by \$50,000,000 over the budget request for fiscal year 2002. Furthermore, the operating plan should prioritize the specific allocation for these funds, including individual projects with cost caps per project. In addition, NASA should outline in a report by February 1, 2002 how its upgrades program is integrated with the overall vision to switch to an alternative to the space shuttle later in the decade and a specific plan to show how the investment strategy in these upgrades does not diminish potential investment in a man-rated new launch vehicle.

The Committee believes there is no higher priority than improving the safety and reliability of the Shuttle orbiters. The Shuttle remains the cornerstone of our Nation's heavy launch capability and is critical to the future of the Space Station and scientific research. Given the continued reliance on the Shuttle and the absence of an alternative vehicle, the Committee is concerned about the age of the Shuttle fleet and the potential impact on the budget out-years. While NASA has done a good job at improving safety, reliability and performance of the Shuttle, it will face increasing challenges as the Shuttle and the Shuttle infrastructure continue to age. The Committee notes that both the Shuttle and the supporting infrastructure will need substantial investments in future years in order to maintain the integrity of the Shuttle program. Therefore, the Committee urges NASA and the Office of Management and Budget to provide sufficient resources to upgrade Shuttle

hardware and supporting infrastructure in fiscal year 2003 and beyond.

*Human Exploration and Development of Space.*—The Committee reduces funding for the engineering and technical base of the human exploration and development of space by \$20,000,000. Given the delays in implementing this initiative, the Committee makes this reduction without prejudice.

The Committee strongly supports the mission and work of the National Space Biomedical Research Institute (NSBRI), which is leading the national effort to carry out the research required to assure safe, human exploration in space. The NSBRI sponsors and performs fundamental and applied space biomedical research that supports NASA's Human Exploration and Development of Space (HEDS) Strategic Plan.

*Space Operations.*—The Committee has reduced the amount provided for space operations by \$25,000,000 below the budget request, for a total fiscal year 2002 budget of \$457,200,000 and directs NASA to achieve these savings through the transfer of the former telecommunications and mission operations directorate (TMOD) work, including relevant engineering activities, to the consolidated space operations contract (CSOC) by not later than November 15, 2001. The Committee notes that CSOC has provided lower cost, high quality space operations services to multiple NASA users and believes that the TMOD transfer into CSOC will substantially help create a more robust and efficient space operations structure within NASA. The Committee also believes that there are significant savings beyond the level anticipated by this adjustment to the fiscal year 2002 budget, provided NASA cooperates fully in this transition to managing space operations.

The Committee's directive is consistent with its past direction to NASA on space operations, first outlined in Senate Report 105–53 in which the Agency was directed to include “commonality of functions” in the CSOC program. NASA exempted TMOD functions from CSOC despite their comparable relationship to other such functions in space and earth science as well as human space flight. NASA should submit to the Committee a transition plan for this transfer activity by October 15, 2001, including any proposed adjustments to exempt mission critical personnel from this transfer, capped at not more than 100 full-time equivalents (FTEs).

The Committee also directs NASA to submit by August 1, 2001 a detailed accounting of all TMOD related funds, cross-walked by all relevant program and sub-program elements in the fiscal year 2002 NASA Budget Estimates, using as the baseline for such estimates the January 2000 TMOD Congressional study (page three) that identified between \$174,000,000 and \$190,000,000 in TMOD costs for fiscal year 2002. Only approximately \$129,400,000 of those costs are carried currently under the space operations program element, inappropriately exempting almost one-third of TMOD's total costs from the consolidated resource schedule on space operations called for by Senate Report 105–216. Upon the submission of this detailed TMOD budget crosswalk, the Committee will entertain a redistribution of the proposed reduction among multiple program elements prior to Conference.

## SCIENCE, AERONAUTICS, AND TECHNOLOGY

Appropriations, 2001 .....	\$6,177,080,000
Budget estimate, 2002 .....	7,191,700,000
Committee recommendation .....	7,669,700,000

## PROGRAM DESCRIPTION

NASA's "Science, aeronautics and technology" account provides funding for science, aeronautics and technology activities supporting the Agency. These activities include space science, biological and physical research, Earth science, aerospace technology and academic programs. This appropriation also provides for salaries and related expenses (including travel); design, repair, rehabilitation, and modification of facilities and construction of new facilities; maintenance and operation of facilities; and other operations activities supporting science, aeronautics, and technology programs.

## COMMITTEE RECOMMENDATION

The Committee recommends \$7,669,700,000 for the Science, Aeronautics and Technology account, an increase of \$478,000,000 above the President's request and \$1,492,620 above the fiscal year 2001 enacted level.

*Space Science.*—The activities of NASA's Space Science Enterprise seek to chart the evolution of the universe, from origins to destiny, and understand its galaxies, stars, planetary bodies, and life. The Enterprise asks basic questions that have eternally perplexed human beings, such as how the universe began and evolved and whether there is other intelligent life in the universe. The Space Science Enterprise develops space observatories and directs robotic spacecraft into the solar system and beyond to investigate the nature of the universe.

The quest for this information, and the answers themselves, is intended to maintain scientific leadership, excite and inspire our society, strengthen education and scientific literacy, develop and transfer technologies to promote U.S. competitiveness, foster international cooperation to enhance programs and share their benefits, and set the stage for future space ventures.

The Committee has made the following adjustments to the budget request:

- \$50,000,000 from Mars Surveyor (future Surveyor projects), subject to a detailed plan on future Mars missions beyond the proposed 2007 mission submitted to the Committee by January 8, 2002.

- \$48,600,000 from focused research and technology for the Europa Orbiter/X-2000 program addressed below in the future outer planets program.

- + \$43,600,000 for focused research and technology for a consolidated future outer planets program in which all missions, including the Europa Orbiter, are to be competed through a full and open announcement of opportunity for industry and academia. NASA should proceed with the selection of Europa science instruments as planned and should require that all proposals for the Europa spacecraft accommodate the proposed suite of instruments selected. No reduction for instrument sup-

port to the selected science teams should be made in fiscal year 2002.

+ \$5,000,000 for focused research and technology for Sun-Earth connections (SEC) for the Solar Probe mission. NASA should consolidate management for this mission with its existing SEC/Living With a Star program in lieu of the proposed termination. Selection of a Solar Probe spacecraft should be competed through a full and open announcement of opportunity for industry and academia.

+ \$20,000,000 for focused research and technology for Sun-Earth connections (SEC) for the Future Living With A Star (LWS) program, restoring the program to the funding profile in the 2001 budget. The Committee believes that understanding solar variability and its effect on earth and mankind is of paramount importance as we strive to understand our galaxy. Increasing our knowledge of the effects of solar variability and disturbances on terrestrial climate change and being able to provide advanced warning of energetic particle events that affect the safety of humans and space flight are also of particular importance. The proposed funding restoration will allow LWS to proceed on the original NASA plan of Sun-Earth connected System Science whereby both the Solar Dynamics Observatory and the Geospace Missions Network will proceed in a coordinated manner to attain the program objectives.

+ \$2,500,000 for the JASON Foundation.

+ \$3,000,000 for a center on life in extreme thermal environments at Montana State University.

+ \$2,000,000 for space radiation research at the University of Missouri-Columbia.

+ \$1,000,000 for Virginia Commonwealth University for the development of advanced material for batteries and fuel cells.

The Committee recommends the budget request of \$92,100,000 for advanced technology development related to the Next Generation Space Telescope (NGST) and expects NASA to vigorously pursue the development of the NGST and submit an out-year budget plan for soliciting development and management proposals with the goal of a launch in 2007.

– \$25,000,000 from solar system exploration research and technology for funds requested for the “quick sprint to Pluto” propulsion initiative.

+ \$25,000,000 for the Pluto Kuiper Express (PKE) mission. The Committee has deferred, without prejudice, the inclusion of full funding for the PKE. It has however, included \$25,000,000 for it by eliminating the proposed \$25,000,000 for the “quick sprint to Pluto” propulsion initiative contained in the core research and technology line for solar system exploration. The Committee directs NASA to remain on schedule with its plan for source selection in September as the Committee expects to address the issue of full funding for PKE in Conference.

*Earth Science.*—The activities of NASA’s Earth Science Enterprise seek to understand the total Earth system and the effects of humans on the global environment. This pioneering program of studying global climate change is developing many of the capabili-



ties that will be needed for long-term environment and climate monitoring and prediction. Governments around the world need information based on the strongest possible scientific understanding. The unique vantage-point of space provides information about the Earth's land, atmosphere, ice, oceans, and biota as a global system, which is available in no other way. In concert with the global research community, the Earth Science Enterprise is developing the understanding needed to support the complex environmental policy decisions that lie ahead.

The Committee recommends the following adjustments to the budget request:

- + \$7,500,000 for EOS Follow-on projects for the tropospheric (global) winds mission only, to be acquired through a commercial data purchase only. The Committee takes notable exception to NASA's refusal to abide by Congressional directive in last year's conference report directing the Agency to initiate an RFP for such a data purchase. In fact, the Committee is dismayed that NASA has allocated these funds apparently for trade studies on the subject, ignoring the compelling requirement to proceed with this mission. In a report to Congress in 1998, NOAA stated, "inadequate wind data coverage over the oceans bordering the United States has been a chronic problem that impacts accuracy potential for improved 1-5 day forecasts". Ironically, NASA's own earth science enterprise strategy suggests that a satellite that measures winds, and can transition to an operational system for NOAA, is among the highest priority in the Research Strategy. Tropospheric Winds are the highest priority "Required Knowledge" in the Prediction Objective, one of five key science questions. Moreover, a stated Strategic Priority is to "collaborate with operational agencies and commercial concerns to demonstrate remote sensing capabilities that they want to incorporate in their decision support systems".

- + \$31,100,000 for the EOSDIS program element, with adjustments as follows:

- + \$40,000,000 for the EOSDIS Core System only for a total program level in 2002 of \$138,200,000. Of this additional \$40,000,000, \$27,500,000 shall be for the Synergy program to develop additional end uses for EOS data and to support on going efforts to provide additional applications for this data through new and existing infomarts. The additional \$12,500,000 shall be used for ECS to expand its data processing and distribution capacity to meet the needs of the diverse EOS user community, as well as implement system adjustments to lower the systems' future operations and maintenance requirements.

- \$8,900,000 for the EOS Federation.

- \$15,000,000 from EOS algorithm development.

- + \$2,000,000 for joint weather and ocean research at the University of Massachusetts and University of Alaska.

- + \$3,500,000 for the University of Montana for an International Earth Observing System Natural Resource Training Center.

+ \$500,000 for the Morehead State University Space Science Center for the reconstruction of the ADAS satellite tracking system. These funds are not intended to support faculty positions.

+ \$1,500,000 for research at the Bio-MEMS Microtechnology Center at the University of Louisville.

+ \$2,000,000 for the University of Mississippi Geoinformatics Center.

In addition, the Committee expects NASA to develop a long-term plans to partner with U.S. universities and industry in a variety of NASA-related science research, including research related to nanotechnology, information technology and remote sensing. These are all areas of investment that have a commercial application that will have an increasing impact on society, the economy, and quality of life. As previously discussed, the most obvious and immediate area of impact has been in the U.S. commercial remote sensing industry which is being carried out at the Stennis Space Center (SSC) as NASA's lead center for commercial remote sensing. The Committee strongly supports the partnership programs developed by the SSC that have included research programs with private companies, universities, States, units of local government as well as other government agencies.

The Committee supports the efforts of NASA and SSC to expand this program to other university and private partnerships throughout the country, and consistent with the fiscal year 2001 Statement of Managers to the VA/HUD bill, to develop with universities, existing Applications Centers, and other cognizant Federal agencies, mechanisms through which current private and public remote sensing and related technologies will be made readily available to State and local government, public agencies and private organizations for applications in agriculture, flood mapping, environmental protection, urban planning, firefighting and other land-use issues. The Committee expects NASA, as a continuation of current efforts, to report no later than March 15, 2002 on an implementation plan for partnerships that cover every region of the Nation. In order to maximize this directive, the Committee includes the following adjustments to the budget—

+ \$1,500,000 for George Mason University's Center for Earth Observing and Space Research;

+ \$3,000,000 for the University of South Mississippi for research into remotely sensed data for coastal management;

+ \$2,000,000 for the National Space Science and Technology Center to support the development of the Southeastern Virtual Consortium for Extreme Event Research (SEVEER) to conduct research on atmospheric natural hazards;

+ \$1,000,000 for the Mid-America Geospatial Information Center at the University of Texas for equipment upgrades to use remote sensing data from NASA to assess the impact of drought, invasive plant species, hurricanes, wildfires, oil spills, toxic waste releases and flash floods;

+ \$1,500,000 for Idaho State University for the Temporal landscape Change Research program; and

+ \$500,000 for Utah State University to develop an Inter-mountain Region Digital Image Archive and Processing Center for Landscape Analysis, Planning and Monitoring.

*Biological and Physical Research.*—NASA's Biological and Physical Research (BPR) Enterprise recognizes the essential role biology will play in the 21st century and pursues the core of biological and physical sciences research needed to support NASA's strategic objectives. BPR fosters and enhances rigorous interdisciplinary research, closely linking fundamental biological and physical sciences in order to develop leading-edge, world-class research programs. BPR uses the unique characteristics of the space environment to understand biological, physical, and chemical processes, conducting science and technology research required to enable humans to safely and effectively live and work in space, and transferring knowledge and technologies for Earth benefits. BPR also fosters commercial space research by the private sector toward new or improved products and/or services on Earth, in support of the commercial use of space.

The Committee has transferred the Space Station research program to the Office of Biological and Physical research as requested by NASA and the Office of Management and Budget. In addition, the Committee has increased funding for Space Station research by \$50,000,000 over the budget request for a total of \$333,600,000 for Space Station research.

In previous years, the Committee has expressed its intent that scientific research remain one of NASA's top priorities. However, delays in the construction of the Station and NASA reliance on the Shuttle for ISS construction have significantly reduced the opportunities for life and microgravity research. Therefore, the Committee directs NASA to include as part of its study of the ISS research program, opportunities for space-based life and micro-gravity research earlier in the ISS program, including, but not limited to, flying research payloads on Shuttle missions to the ISS, using extended duration orbiters and building ISS research facilities.

*Aero-Space Technology.*—NASA's Aerospace Technology Enterprise works to maintain U.S. preeminence in aerospace research and technology. The Enterprise aims to radically improve air travel, making it safer, faster, and quieter as well as more affordable, accessible, and environmentally sound. The Enterprise is also working to develop more affordable, reliable, and safe access to space; improve the way in which air and space vehicles are designed and built; and ensure new aerospace technologies are available to benefit the public.

NASA's Aeronautics program pioneers the identification, development, verification, transfer, application and commercialization of high-payoff aeronautics technologies. Activities pursued as part of this Enterprise emphasize customer involvement, encompassing U.S. industry, the Department of Defense, and the Federal Aviation Administration. NASA is playing a leadership role as part of a Government-industry partnership to develop breakthrough technology that will help the aviation community cut the fatal accident rate 5-fold within 10 years and 10-fold within 20 years. NASA also supports the development of technologies to address airport crowding, aircraft engine emissions, aircraft noise, and other issues that

could constrain future U.S. air system growth. The Committee has made the following adjustments to the budget request:

- + \$10,000,000 for vehicle systems technology to initiate a basic research program in supersonic transport technology. The Agency is directed to make this effort substantially different from the former high-speed research program by focusing its objectives on overcoming the barriers needed to achieve an economically viable and environmentally friendly supersonic transport. The Committee notes that DARPA is phasing down its program in supersonic technology research, it has outlined meaningful focused research objectives on which NASA should build.

- + \$15,000,000 for the advanced aircraft program, divided equally between flight research and propulsion and power research. The Committee expects NASA to submit a report by April 15, 2002 on the value of this program and in possible continued synergies for NASA to develop dual use aeronautic research and technology activities.

- + \$15,000,000 for NASA's rotorcraft program, including full funding at the enacted level for the joint NASA-Army university centers component.

- + \$2,500,000 for the Hubble Telescope Project at the Composite Technology Institute, Bridgeport, West Virginia.

- + \$15,000,000 for the ultra-efficient engine technology.

- + \$20,000,000 for aviation safety.

- + \$2,000,000 for a comprehensive study of NASA's aeronautical test and evaluation facilities, including wind tunnels, including a 10-year plan to revitalize and potentially consolidate this infrastructure so as to make U.S. facilities more competitive with state-of-the-art requirements. To the extent practical, NASA should engage the relevant participants from the Department of Defense and U.S. industry to make this plan as comprehensive as possible. The results of this plan should be submitted to the Committee by September 1, 2002.

- + \$2,000,000 for advanced research in opto-electronics at Montana State University.

- + \$2,500,000 for an aerospace technology complex at the Delaware Aerospace Education Foundation in Kent County, Delaware.

- + \$2,000,000 for the National Technology Transfer Center at Wheeling Jesuit University.

- + \$1,500,000 for the Tulane University Institute for Macromolecular Engineering and Sciences, New Orleans, Louisiana.

- + \$6,500,000 for upgrades to the Stennis Space Center E-complex propulsion test facilities, of which \$1,500,000 is for completion of the Test Operations Building for the E-complex. The Committee expects any additional upgrades to be included as part of the fiscal year 2003 budget request or a justification as to why these capital needs should be deferred.

- + \$3,500,000 for an addition to the main administration building at the Stennis Space Center. Because many of the needs at Stennis are the result of DOD staffing demands, con-

sideration for additional capital funds should be from within the DOD budget.

- \$15,000,000 from the 2nd generation RLV program due to a large unobligated balance of funds from prior year appropriations and concern that the program's deadlines for final selection of a candidate vehicle to replace the space shuttle are slipping. The Committee believes that this program's milestones and schedule needs to be better coordinated and integrated with any planned investments in the upgrade of the shuttle to maximize the cost-effective return on investment to the taxpayers in space transportation.

- + \$1,700,000 for the Independent Verification and Validation Facility (IV&V), Fairmont, West Virginia.

The Committee recognizes the Wallops Flight Facility (WFF) as a National Center for Commercial Launch Services and directs NASA to designate Wallops as a potential launch and recovery site for flight demonstration, testing and validation of space transportation technologies in the upcoming solicitation for Alternate Access to Space (AAS) and all future Space Launch Initiative (SLI) 2nd Generation Reusable Launch Vehicle and AAS solicitations. NASA is directed to report to the Committees on Appropriations by March 1, 2002 on the feasibility of implementing a test launch capability at WFF for mission support and infrastructure required for these test flight demonstrations. Furthermore, the Committee provides an additional \$10,000,000 from within the Science, Aeronautics and Technology accounts, for the Wallops Launch Range, for infrastructure improvements and technology upgrades to maintain range capabilities.

*Academic Programs.*—The objective of NASA's academic programs is to promote excellence in America's education system through enhancing and expanding scientific and technological competence. Activities conducted within academic programs capture the interest of students in science and technology, develop talented students at the undergraduate and graduate levels, provide research opportunities for students and faculty members at NASA centers, and strengthen and enhance the research capabilities of the Nation's colleges and universities. NASA's education programs span from the elementary through graduate levels, and are directed at students and faculty. Academic programs includes the Minority University Research Program, which expands opportunities for talented students from underrepresented groups who are pursuing degrees in science and engineering, and to strengthen the research capabilities of minority universities and colleges.

The Committee has included \$19,100,000,000 for the National Space Grant College and Fellowship Program. This funding is the same as the fiscal year 2001 level and the President's request for fiscal year 2002. This program is a valuable tool in developing educational partnerships in support of science, mathematics, technology, engineering and geography.

The Committee recommendation has included \$10,000,000 for the NASA EPSCoR Program, \$5,400,000 above the budget request and the same as the fiscal year 2001 level. The Committee expects NASA EPSCoR to support a broad range of research areas in each EPSCoR State, drawn from Earth science, space science, aero-

nautics and space transportation technology, and human exploration and development of space, and to distribute the awards, competitively, to the largest number of eligible States possible.

The Committee commends the California Science Center for its proposed Environmental Science Learning Center (ESLC). The ESLC, the only facility in the country combining a major science center, an adjacent science focused neighborhood elementary school, and teacher professional development center in one location, will provide a one of a kind national model for informal environmental science education which supports and complements the efforts of schools throughout the State.

The Committee has provided \$82,100,000 for NASA's minority university research and education activities. This amount is \$26,225,000 above the fiscal year 2001 enacted level and the same as the President's budget request.

The Committee recommends the following adjustments to the budget request:

- + \$5,000,000 for the planetarium for the Clay Center of the Arts and Sciences in Charleston, West Virginia;
- + \$2,000,000 for the Northern Great Plains Space Sciences and Technology Center at the University of North Dakota;
- + \$1,500,000 for research on flight communications technology at the University of Connecticut;
- + \$1,000,000 for the Science Discovery Outreach Center at the University of North Carolina in Chapel Hill, North Carolina;
- + \$1,000,000 for the Chabot Observatory and Science Center in California;
- + \$750,000 for the Des Moines Science Center, Des Moines, Iowa;
- + \$2,000,000 for non-destructive evaluation research at Iowa State University;
- + \$4,000,000 for infrastructure needs at Mauna Kea Astronomy Education Center at the University of Hawaii at Hilo;
- + \$1,000,000 for the NASA/Bishop Museum partnership in Honolulu, Hawaii;
- + \$1,500,000 for the Wisconsin Initiative for Math, Science, and Technology education at the University of Wisconsin—Green Bay;
- + \$1,000,000 for polymer research at Tulane University in New Orleans, Louisiana;
- + \$250,000 for St. Mary's County Public School Technology Center, St. Mary's County, Maryland;
- + \$1,000,000 for high definition telemedicine technology development at Florida Atlantic University;
- + \$3,000,000 for construction of a life sciences facility at Brown University;
- + \$2,000,000 for instrumentation and laboratory development at Rowan University in New Jersey;
- + \$2,000,000 for photonics research at the University of Maryland, Baltimore County;
- + \$5,000,000 for infrastructure improvements at the School of Science and Mathematics at the College of Charleston in South Carolina;

+\$3,000,000 for Purdue University for a nanotechnology program;  
 +\$3,000,000 for the U.S. Space and Rocket Center for the construction of a new educational training center;  
 +\$1,500,000 for the University of Missouri's Center for Gender Physiology for infrastructure needs;  
 +\$1,500,000 for Muhlenberg College in Lehigh County, Penn. to develop a national model for using NASA data and technologies in the K-12 and higher education classroom;  
 +1,000,000 for the Texas Engineering Experiment center at Texas A&M University to support the Space Engineering Institute;  
 +\$2,500,000 for the Center for Space Sciences at Texas Tech University;  
 +\$2,000,000 for multi-user scientific equipment for the Life Sciences Center at the University of Missouri-Columbia;  
 +\$3,000,000 for the Challenger Learning Center in Kenai, Alaska for the final phase of construction of dormitories for the use of visiting students. These are the last funds to be made available to this center; and  
 +\$500,000 for the Southeast Missouri State University's NASA Educator Resource Center.  
 +\$1,000,000 for a Challenger Learning Center in Ferguson/Florissant, Missouri.

#### OFFICE OF INSPECTOR GENERAL

Appropriations, 2001 .....	\$22,949,000
Budget estimate, 2002 .....	23,700,000
Committee recommendation .....	23,700,000

#### PROGRAM DESCRIPTION

The Office of Inspector General was established by the Inspector General Act of 1978. The Office is responsible for providing agency-wide audit and investigative functions to identify and correct management and administrative deficiencies which create conditions for existing or potential instances of fraud, waste, and mismanagement.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$23,700,000 for fiscal year 2002, the same as the President's budget request. The Committee commends the NASA IG's diligence in addressing issues of fraud and abuse.

#### ADMINISTRATIVE PROVISIONS

The Committee recommendation includes a series of provisions, proposed by the administration, which are largely technical in nature, concerning the availability of funds. These provisions have been carried largely, in prior-year appropriation acts.

## NATIONAL CREDIT UNION ADMINISTRATION

## CENTRAL LIQUIDITY FACILITY

## (INCLUDING TRANSFER OF FUNDS)

	Direct loan limitation	Administrative expenses	Revolving loan program
Appropriations, 2001 .....	\$1,500,000,000	\$296,303	\$1,000,000
Budget estimate, 2002 .....	1,500,000,000	309,000	1,000,000
Committee recommendation .....	1,500,000,000	309,000	1,000,000

## PROGRAM DESCRIPTION

The National Credit Union Administration [NCUA] Central Liquidity Facility [CLF] was created by the National Credit Union Central Liquidity Facility Act (Public Law 95–630) as a mixed-ownership Government corporation within the National Credit Union Administration. It is managed by the National Credit Union Administration Board and is owned by its member credit unions.

The purpose of the facility is to improve the general financial stability of credit unions by meeting their seasonal and emergency liquidity needs and thereby encourage savings, support consumer and mortgage lending, and provide basic financial resources to all segments of the economy. To become eligible for facility services, credit unions invest in the capital stock of the facility, and the facility uses the proceeds of such investments and the proceeds of borrowed funds to meet the liquidity needs of credit unions. The primary sources of funds for the facility are the stock subscriptions from credit unions and borrowings.

The facility may borrow funds from any source, with the amount of borrowing limited by Public Law 95–630 to 12 times the amount of subscribed capital stock and surplus.

Loans are available to meet short-term requirements for funds attributable to emergency outflows from managerial difficulties or local economic downturns. Seasonal credit is also provided to accommodate fluctuations caused by cyclical changes in such areas as agriculture, education, and retail business. Loans can also be made to offset protracted credit problems caused by factors such as regional economic decline.

## COMMITTEE RECOMMENDATION

The Committee recommends the budget request of limiting administrative expenses for the Central Liquidity Fund [CLF] to \$309,000 in fiscal year 2002. The Committee recommends a limitation of \$1,500,000,000 for the principal amount of new direct loans to member credit unions, and provides \$1,000,000 for loans and technical assistance to community development credit unions. These amounts are equal to the budget request and the fiscal year 2001 enacted levels.

In the fiscal year 2001 VA, HUD appropriations legislation, the Committee lifted the cap on loans to member credit unions from \$600,000,000 to \$1,500,000,000 to meet potential liquidity demands under special situations. The Committee has again set the cap at



this higher level even though it appears that liquidity demand remains low. Nevertheless, as part of the Committee's oversight functions, the Committee directs the National Credit Union Administration (NCUA) to provide reports on the amount of lending activities under CLF. This information should be provided to the Committee on a monthly basis through September 2002.

The Committee's recommendation also includes \$650,000 for loans to community development credit unions and \$350,000 for technical assistance to low-income and community development credit unions. The Committee is supportive of these activities but stress the importance of coordinating these activities with other similar Federal efforts by the Department of Housing and Urban Development and the Community Development Financial Institutions Fund. The Committee urges NCUA to work with these other Federal entities.

#### NATIONAL SCIENCE FOUNDATION

Appropriations, 2001 .....	\$4,416,390,000
Budget estimate, 2002 .....	4,472,520,000
Committee recommendation .....	4,672,520,000

#### GENERAL DESCRIPTION

The National Science Foundation was established as an independent agency by the National Science Foundation Act of 1950 (Public Law 81-507) and is authorized to support research and education programs that promote the progress of science and engineering in the United States. The Foundation supports research in all major scientific and engineering disciplines, through grants, contracts, and other forms of assistance awarded to more than 2,000 colleges and universities, nonprofit organizations, small businesses, and other organizations in all parts of the United States. The Foundation also supports international programs and unique, large scale, national user research facilities.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$4,672,520,000 for the National Science Foundation for fiscal year 2002. This amount is \$256,130,000 more than the fiscal year 2001 enacted level and \$200,000,000 above the budget request

#### RESEARCH AND RELATED ACTIVITIES

Appropriations, 2001 .....	\$3,342,630,000
Budget estimate, 2002 .....	3,326,981,000
Committee recommendation .....	3,514,481,000

#### PROGRAM DESCRIPTION

The research and related activities appropriation addresses the Foundation's three strategic outcomes: people—developing a diverse, internationally competitive and globally-engaged workforce of scientists, engineers, and well-prepared citizens; ideas—enabling discovery across the frontiers of science and engineering, connected to learning, innovation, and service to society; and tools—providing broadly accessible, state-of-the-art information bases and shared research and education tools. Research activities will contribute to

the achievement of these outcomes through expansion of the knowledge base; integration of research and education; stimulation of knowledge transfer among academia and the public and private sectors; and bring the perspectives of many disciplines to bear on complex problems important to the Nation. The Foundation's discipline-oriented research programs are: biological sciences; computer and information science and engineering; engineering; geosciences; mathematical and physical sciences; and social, behavioral and economic sciences. Also included are U.S. polar research programs and related logistical support and the Science and Technology Policy Institute.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$3,514,481,000 for research and related activities. This amount is \$171,851,000 more than the fiscal year 2001 enacted level and \$187,500,000 above the budget request. The Committee's recommendation makes the following changes to the budget request:

- + \$75,000,000 for disciplinary research;
- + \$25,000,000 for nanoscience and engineering research;
- + \$25,000,000 for information technology research;
- + \$10,000,000 for plant genome research;
- + \$5,000,000 for mathematics
- + \$25,000,000 for major research instrumentation;
- + \$10,000,000 for regional innovation clusters;
- + \$12,500,000 for increased energy and fuel costs for polar activities, the academic fleet, the Ocean Drilling Program, and other national NSF user facilities facing significantly increased energy costs.

The Committee applauds the Foundation's proposal for increasing the stipend levels for graduate students in its education programs. The Committee's support for this issue is reflected in the education and human resources account. However, the Committee notes the Foundation supports four times as many graduate students through its research and related activities appropriation than it does through its graduate programs in the education and human resources appropriation. The Committee urges the Foundation to also emphasize, through its research grants, contracts, and cooperative agreements, enhanced stipend levels for graduate students and post-doctoral students. The fiscal year 2002 operating plan should provide information detailing how the Foundation will achieve this objective.

The Committee has provided an additional \$25,000,000 to the request for nanoscience and engineering. Nanotechnology represents the next frontier in science and engineering with the possibility of revolutionizing nearly every aspect of society—from manufacturing to disease diagnosis and treatment to computing and communications. These funds will allow the Foundation to expand research at the molecular and atomic scales and develop new techniques to aid in the application of nanotechnology research results. The Committee is strongly supportive of the Foundation's efforts in this area and expects the Administration will continue to emphasize this initiative as part of its inter-agency R&D planning process.

In the area of information technology research, the Committee has provided an additional \$25,000,000 to the request. This brings the information technology research program in this account to a level of \$241,000,000, an increase of 12 percent instead of the Administration's proposal that would have essentially level funded this critical research initiative. These funds will support research on software, networking, scalability, and communications. In addition to these research funds, \$55,000,000 is provided in the major research equipment account for terascale computing systems. This brings the Foundation's total information technology program to \$296,000,000, an increase of \$37,000,000 or 14 percent over last year's level.

The Committee expects the Foundation will continue to be guided in its management of the information technology research program by the recommendations of the President's Information Technology Advisory Committee. For example, the Committee expects NSF to provide an increased ratio of grants at higher funding levels and for longer duration than what it has typically funded. The Committee also applauds the Foundation's efforts under the Next Generation Internet program in providing high-speed networking access to remote and hard to reach areas and encourages NSF to continue these efforts. Finally, the Committee urges NSF to use its information technology funding to support the needs of other disciplines. For example, the plant genome research community has significant information technology needs in the bioinformatics area. The Committee urges the Foundation to allocate a portion of the information technology research funding for bioinformatics.

The Committee's recommendation includes \$75,000,000 for the plant genome initiative, an increase of \$10,000,000 over the request. Over the last 3 years the plant genome program has generated massive amounts of data on major crop plants and model organisms. The Committee urges the Foundation to emphasize the use these datasets and resources to identify, isolate, and investigate genes associated with plant processes of economic importance, including nutritional quality, production of industrial chemicals, disease resistance, and tolerance to environmental stresses. The Committee also supports the recent recommendations of the Interagency Working Group on Plant Genomes that significant funding be invested in high-throughput sequencing of the gene-rich regions of economically important crops, such as corn, wheat, and barley. Recent advances in technology have made it feasible and cost-effective to sequence the gene-rich regions of large, complex plant genomes. The Committee expects NSF to fund such an initiative that invests in high-throughput sequencing, including full-length cDNA sequencing, of economically important crops, such as corn, wheat, and barley. This initiative will help to ensure that fundamental genetic information is publicly accessible to all public and private plant breeders and geneticists.

Mathematics is a vital tool in everything from climate research to computational software. For that reason, the Committee has provided a total of \$25,000,000 for this initiative, \$5,000,000 more than the budget request.

The Committee has provided \$75,000,000 for the major research instrumentation program. This is \$25,000,000 more than the re-

quest and equal to the fiscal year 2001 funding level. The Committee continues to remain concerned about the ability of smaller institutions to adequately participate in the Foundation's programs. Of particular interest to the Committee is the infrastructure needs of non-Ph.D degree and minority institutions. The Committee directs the Foundation to use the additional \$25,000,000 to specifically support the merit-based instrumentation needs of these smaller research institutions.

According to the Council on Competitiveness, the ability to successfully compete is concentrated in regions where public and private institutions, resources, and public policies are strategically combined to produce high-value products, services, and jobs. These so-called regional innovation clusters consist of competing and co-operating companies, suppliers, institutions of higher education that focus on research, education, and training, and other organizations. Regions with strong innovation clusters not only have higher rates of innovation, but also higher productivity growth, new business formation, jobs, and wages. The Committee has provided \$10,000,000 for a regional innovation cluster initiative to support the development and implementation of strategic regional innovation plans, local and regional leadership initiatives that mobilize and enhance innovation assets, university-based knowledge transfer and innovation initiatives, and identify best practices in regional innovation development and university knowledge and technology transfer activities.

The Committee is aware that certain activities are under stress due to increased fuel and energy costs such as polar research and related logistical activities. Therefore the Committee has provided an additional \$12,500,000 for polar activities, the academic fleet, the ocean drilling program, and other major national NSF user facilities to assist in dealing with these increased costs.

The National Academy of Sciences Astronomy and Astrophysics Committee's Decadal Survey has recommended, as one of its most important priorities, the Telescope Systems Instrumentation Program. This effort is to provide cutting edge instrumentation and other infrastructure improvements to the Nation's astronomy observatories as well as provide access to non-federally funded telescopes for the general astronomy community. The Committee notes that the astronomy subactivity request included \$9,000,000 for the ALMA radio telescope. Since the Committee has addressed support for ALMA in the major research equipment account, these resources should be redirected into the astronomical sciences program element with \$4,000,000 to be used for the TSIP initiative and \$5,000,000 to augment individual investigator support. The Committee has also provided the budget request for the additional operational enhancements for the Very Long Array (VLA) radio telescope in Socorro, New Mexico, and the Green Bank Observatory and Robert C. Byrd Radio Telescope in West Virginia. The Committee expects the Foundation will continue its support for both Green Bank and the VLA in future years. Finally, the Advanced Technology Solar Telescope (ATST) has been identified as the most important initiative in ground-based astronomy over the next decade in the Decadal Survey. It will play a major role in our understanding of stellar structure, plasma physics, and sun-earth inter-

actions and will complement many planned space missions. The NSF is urged to support preparatory work for the ATST, including a survey of adequate sites and development of adaptive optics technologies, at a sufficient level to enable this program to be undertaken by 2005.

The Committee is aware that a unique opportunity may be available to acquire the Homestake Mine in Lead, South Dakota for a world-class underground laboratory for physics, geology, and extreme biology. The Committee has provided \$10,000,000 in this appropriation explicitly for the work necessary to maintain the site's integrity, complete the review and determine the feasibility of this project. The Committee expects that this review will be completed expeditiously and that a decision regarding this proposal will be reflected in the fiscal year 2003 budget. The Committee also expects that any funding provided to preserve the integrity of the site will be subject to appropriate peer-review, and directs that such review take place expeditiously given the need to preserve the site and address workforce needs.

The Committee is aware of several exciting ongoing NSF initiatives in the behavioral sciences. The Committee continues to believe that NSF must take specific steps to support young behavioral science investigators to ensure an adequate supply of high quality researchers in this discipline in the future. The Committee, therefore, reiterates its past support and encouragement for this area and expects NSF support for this area of science will gain strength in fiscal year 2003. The Committee also believes that research on how people think, learn, remember, work in groups, apply learned information in new ways and other related research holds a great deal of potential for enhancing educational practices and increasing student achievement. The Committee applauds the Foundation for its priority support for the science of learning and expects that it will continue.

The congressional mandate for several important long-standing NSF reports was eliminated in 1995. One of the reports is the National Science Board's "Science and Engineering Indicators," which provides the Congress important information regarding the condition of the Nation's research and education enterprise. The Committee anticipates that authorizing legislation may restore the mandate for these reports and therefore urges the Foundation and the Board to continue to produce and provide them to the Congress consistent with previous legislative requirements.

The Committee remains concerned about long-term planning and priority setting for NSF's major program initiatives. Accordingly, the Committee directs NSF to provide 5-year plans for its multidisciplinary programs, such as information technology research and nanotechnology, which specifies the funding level and justification for each program. These 5-year plans should be included in the fiscal year 2003 budget justifications.

The Committee is troubled by the recent findings by the National Academy of Public Administration (NAPA) on the Foundation's peer review system. In its February 2001 report, "A Study of the National Science Foundation's Criteria for Project Selection," NAPA found that NSF is unable to assess the criteria to encourage a broader range of institutions or greater participation of under-

represented minority researchers. In other words, while NSF claims to be making efforts to assist smaller research institutions and minorities, in practice, this does not occur. NAPA recommended that NSF should institute broader-based review panels by bringing in participants from a wider range of institutions, disciplines, and under-represented minorities. The Committee urges NSF to immediately institute changes to its peer review process that reflect these recommendations.

The Committee supports the continued funding of the International Arctic Research Center (IARC) under a recently approved 3 year, \$15,000,000 cooperative agreement between NSF and the Center. The Committee recognizes the contributions of IARC, which has become one of the leading research institutions on global climate change in the arctic region. The Committee held a field hearing on May 29, 2001 in Fairbanks, Alaska on global climate change in the arctic region to highlight the importance of this issue. Witnesses from both the Federal Government and research community stressed the importance of increasing our knowledge and understanding of climate change impacts and potential consequences. The Committee acknowledges the importance of this research and urges the Foundation to work with other Federal agencies and increase its research support for the arctic region.

The Committee commends the Foundation's Office of Polar Programs for its support on global climate change research in the arctic region. The Committee directs the Foundation to consult with the National Oceanic and Atmospheric Administration to determine the feasibility of establishing the Barrow Arctic Research Center and submit a report to the House and Senate Committees on Appropriations with its recommendations, including cost estimates, by April 1, 2002.

#### MAJOR RESEARCH EQUIPMENT

Appropriations, 2001 .....	\$121,330,000
Budget estimate, 2002 .....	96,332,000
Committee recommendation .....	108,832,000

#### PROGRAM DESCRIPTION

The major research equipment activity supports the acquisition, construction, and procurement of unique national research platforms, research resources and major research equipment. Projects supported by this appropriation will push the boundaries of technology and will offer significant expansion of opportunities, often in new directions, for the science and engineering community. Start-up commissioning, on-going operations and maintenance costs of the facilities are provided through the research and related activities appropriation account.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$108,832,000 for major research equipment. This amount is \$12,498,000 less than the fiscal year 2001 appropriation and \$12,500,000 above the budget request.

The Committee has provided \$16,900,000 for the Large Hadron Collider, \$24,400,000 for the Network for Earthquake Engineering

Simulation, \$55,000,000 for Terascale Computing Systems, and \$12,500,000 for initial construction of the Atacama Large Millimeter Array (ALMA) radio telescope.

The Committee supports initiation of construction of the ALMA radio telescope and has provided the necessary resources to start construction. ALMA has conducted thorough design and development, established management systems for proper technical and organizational support, and entered into international cooperative agreements. ALMA is also listed as one of the highest priority projects in ground based astronomy. Nevertheless, due to problems raised by the Inspector General in a recent audit report on another large scale project, the Committee directs NSF to withhold the expenditure of the ALMA funds until it has been able to adequately assure the Committee that NSF has established management and financial controls so that capital construction expenditures are derived solely from the major research equipment appropriation account. The Committee directs the Foundation to include details of its management and financial controls at the earliest opportunity but no later than the fiscal year 2002 operating plan submission.

The Committee directs NSF to continue to provide multi-year budgets and milestones in the Justification of Estimates for all projects funded or proposed to be funded through the major research equipment account. Additionally, the Committee directs the Foundation to also include within the Justification of Estimates for the major research equipment account information on potential new starts that are undergoing planning and development. Displayed in priority order, the information on these potential projects should include multi-year budget estimates, the status of the project's development, a time line for its consideration by the NSF including National Science Board review and approval, the rationale for its priority ranking, and other relevant information such as contingency funding needs, if necessary. The Committee appreciates that scientific opportunities and technological modifications may become available unexpectedly that could lead to changes in project readiness and priority within this account. By including the requested information in each year's annual budget, the Foundation will keep the Committee more adequately informed of such developments.

The Committee encourages the Foundation to move forward with the South Pole Station Antarctic Muon and Neutrino Detector (AMANDA) project to its next phase, called IceCube. The Committee is advised the National Science Board has recently approved this project. AMANDA's technological approach has proven successful at detecting high-energy atmospheric neutrinos. Continued development is expected to lead to a new era in astronomy in which scientists will have unique opportunities to analyze some of the most distant and significant events in the formation and evolution of the universe.

#### EDUCATION AND HUMAN RESOURCES

Appropriations, 2001 .....	\$785,620,000
Budget estimate, 2002 .....	872,407,000
Committee recommendation .....	872,407,000

## PROGRAM DESCRIPTION

Education and human resources activities provide a comprehensive set of programs across all levels of education in science, mathematics, and technology. At the precollege level, the appropriation provides for systemic reform, new instructional material and techniques, and enrichment activities for teachers and students. Undergraduate initiatives support course, curriculum and laboratory improvement; scholarships and other undergraduate student assistance; and advanced technological education at 2-year colleges. Graduate level support is directed primarily to research and teaching fellowships and traineeships. Emphasis is given to systemic reform through components that address urban, rural, and statewide efforts in precollege education, and programs which seek to broaden the participation of States and regions in science and engineering. In addition to this appropriation, the Foundation provides additional support for math and science education activities through the receipt and expenditure of H-1B Nonimmigrant Petitioner Fees provided through Public Law 105-277, as amended.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$872,407,000 for education and human resources. This amount is \$86,787,000 more than the fiscal year 2001 level and equal to the request.

The Committee is supportive of the new Math and Science Partnerships program, but only to the extent it actually builds on and includes the local, urban and rural systemic reform, and teacher and student development programs currently being supported by NSF. The Committee recommends a total of \$190,000,000 for this program; \$130,000,000 is provided in this appropriation and the remainder is to be derived from the H-1B Nonimmigrant Petitioner Receipts the agency receives for Private-Public Partnerships in K-12 education. The Committee directs the Foundation to submit a report with the fiscal year 2002 operating plan that outlines how the educational systemic reform and elementary and secondary education efforts will be supported within this new program. The report should also include a management plan that reflects advice from the education directorate's advisory committee and policy direction from the National Science Board.

In last year's report the Committee expressed its deep disappointment that the Administration had attempted to terminate the Office of Innovation Partnerships. The Committee reversed that proposal and funded the OIP at \$10,000,000. Regrettably, once again the Administration has proposed the termination of this innovative program which is designed to enhance technology transfer activities as well as assist the needs of smaller research institutions. The Committee is adamant that the Foundation should support this effort and has provided \$15,000,000 for reinstatement and growth of this program. In addition, the Committee is providing \$85,000,000 for the EPSCoR program in this account. This is \$10,000,000 above the request. An additional \$25,000,000 in co-funding for EPSCoR is provided through the research and related activities account bringing the total amount available for NSF EPSCoR activities to a level of \$110,000,000. The Committee en-



courages NSF to consider an application from Rhode Island to qualify for the EPSCoR program.

The Committee remains troubled by the declining supply of scientists and engineers being produced in this country. Industry is becoming more dependent on foreign workers to fill their workforce needs due to declining interest among students to enter science and engineering. To assist in addressing this problem, within the undergraduate education subactivity, \$20,000,000 is added specifically for a new undergraduate workforce initiative. The Committee expects NSF to use these additional funds to establish a new merit-based, competitive grants program for colleges and universities for increasing the number of undergraduate degree recipients in science and engineering. The types of projects NSF should support include undergraduate traineeships; targeted mentoring relationships for students for under-represented groups; internships offered in partnership with industry; and innovative uses of digital technologies particularly at institutions serving economically disadvantaged students. NSF should submit a report outlining how it will proceed with this new program as part of its fiscal year 2002 operating plan.

Continuing with the workforce theme, the Committee concurs with the priority the Foundation has attached to increasing financial support for graduate students. Increasing stipends within the NSF graduate education programs is one strategy to attract more U.S. citizens to graduate education in science and engineering. Currently, the average stipend level for graduate education in science and engineering is less than half the average wage for bachelor's degree recipients. This wide disparity may be a significant factor in declining graduate school enrollments for science and engineering. A recent survey found that 57 percent of baccalaureate recipients did not apply to science and engineering graduate programs for financial reasons. This is particularly true for under-represented minorities. Therefore, the Committee has increased the graduate education subactivity request by \$15,000,000. These additional funds are to be used to increase the stipends for graduate students by nearly 20 percent to a level of \$21,500.

The Committee is not in accord with the Foundation's proposal to freeze funding for women, minorities, and other under-represented groups in science and engineering. Therefore, the Committee recommends an increase of \$10,000,000 for the human resource development subactivity, of which \$8,000,000 is to establish an initiative that will stimulate the competitive research capacity of historically black colleges and universities that provide doctoral degrees in science and engineering; and \$2,000,000 is to augment the ongoing Historically Black Colleges and Universities-Undergraduate Program (HBCU-UP) to \$16,000,000. An additional \$4,000,000 from the research and related activities appropriations account is also to be available for the HBCU-UP program. The Committee is aware the current program solicitation restricts eligibility to certain institutions. The Committee strongly believes the HBCU-UP program should be open to all HBCU's that offer degrees in science, mathematics, engineering, and technology.

The Committee strongly supports the Foundation's Tribal Colleges program. The Committee understands that in the fiscal year

2001 competition, the Foundation included Alaskan Native serving institutions and Native Hawaiian serving institutions as eligible entities to receive funds from this program. The Committee appreciates the Foundation's assistance in helping these entities and expects it to continue this policy.

#### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$160,540,000
Budget estimate, 2002 .....	170,040,000
Committee recommendation .....	170,040,000

#### PROGRAM DESCRIPTION

The salaries and expenses appropriation provides funds for staff salaries, benefits, travel, training, rent, advisory and assistance services, communications and utilities expenses, supplies, equipment, and other operating expenses necessary for management of the agency's research and education activities.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$170,040,000 for salaries and expenses. This is equal to the request and represents an increase of \$9,500,000 above the fiscal year 2001 level. The increase will cover costs for statutory pay raises, space rental increases, and oversight travel associated with program management.

#### OFFICE OF INSPECTOR GENERAL

Appropriations, 2001 .....	\$6,270,000
Budget estimate, 2002 .....	6,760,000
Committee recommendation .....	6,760,000

#### PROGRAM DESCRIPTION

The Office of Inspector General appropriation provides audit and investigation functions to identify and correct deficiencies which could create potential instances of fraud, waste, or mismanagement.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$6,760,000 for the Office of Inspector General. This amount is \$490,000 over the fiscal year 2001 level and equal to the budget request. In light of the efforts to expand the Foundation over the next 5 years, the Committee requests the Office of Inspector General to analyze the adequacy of the agency's staffing and management plans. A preliminary report is to be provided to the Committee in March 2002 and a final report in July 2002.

#### NEIGHBORHOOD REINVESTMENT CORPORATION

Appropriations, 2001 .....	\$89,802,000
Budget estimate, 2002 .....	95,000,000
Committee recommendation .....	100,000,000

## PROGRAM DESCRIPTION

The Neighborhood Reinvestment Corporation was created by the Neighborhood Reinvestment Corporation Act (title VI of the Housing and Community Development Amendments of 1978, Public Law 95-557, October 31, 1978). Neighborhood Reinvestment helps local communities establish working partnerships between residents and representatives of the public and private sectors. The partnership-based organizations are independent, tax-exempt, nonprofit entities: often known as Neighborhood Housing Services [NHS] or mutual housing associations. Collectively, these organizations are known as the NeighborWorks® network.

Nationally, over 215 NeighborWorks® organizations serve over 1,600 urban, suburban and rural communities in 48 States and the District of Columbia and Puerto Rico. Of the neighborhoods, 70 percent of the people served are in the very low and low-income brackets.

The NeighborWorks® network improves the quality of life in distressed neighborhoods for current residents, increases homeownership through targeted lending efforts, exerts a long-term, stabilizing influence on the neighborhood business environment, and reverses neighborhood decline. NeighborWorks® organizations have been positively impacting urban communities for over two decades, and more recent experience is demonstrating the success of this approach in rural communities when adequate resources are available.

Neighborhood Reinvestment will continue to provide grants to Neighborhood Housing Services of America [NHSA], the NeighborWorks® network's national secondary market. The mission of NHSA is to utilize private sector support to replenish local NeighborWorks® organizations' revolving loan funds. These loans are used to back securities which are placed with private sector social investors.

## COMMITTEE RECOMMENDATION

The Committee recommends \$100,000,000 for the Neighborhood Reinvestment Corporation, \$5,000,000 above the budget request and \$10,198,000 above the fiscal year 2001 enacted level. The Committee has also included a set-aside of \$10,000,000 as requested by the administration for its section 8 homeownership program.

The Committee is very supportive of the efforts of the Corporation and the NeighborWorks® organization in providing homeownership counseling and educating potential homebuyers on various lending products. Due to the Committee's concerns about the growing problems of predatory lenders on low-income people and communities, the Committee encourages NRC and its network organizations to expand its education and counseling programs.

The Committee is also concerned about the shortage of available, affordable rental housing across the nation. The Corporation has been successfully producing mixed-income affordable rental housing through the use of "mutual housing" models. Accordingly, the Committee has provided \$5,000,000 above the budget request to the Corporation to expand its mutual housing program. The Committee directs the Corporation to include details on how many additional

affordable, rental housing units have been created through its mutual housing program in its fiscal year 2003 budget justifications. The Corporation should also include information on the number of families served that have incomes below 30 percent of the area median income. There is a substantial shortage of available, affordable housing for these extremely low-income families throughout the Nation, and the Committee urges the Corporation to continue its efforts to meet the housing needs of these families. The Committee also directs the Corporation to increase its efforts in smaller metropolitan areas and rural areas where very serious housing problems exist.

#### SELECTIVE SERVICE SYSTEM

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$24,426,144
Budget estimate, 2002 .....	25,003,000
Committee recommendation .....	25,003,000

##### PROGRAM DESCRIPTION

The Selective Service System [SSS] was reestablished by the Selective Service Act of 1948. The basic mission of the System is to be prepared to supply manpower to the Armed Forces adequate to ensure the security of the United States during a time of national emergency. Since 1973, the Armed Forces have relied on volunteers to fill military manpower requirements. However, the Selective Service System remains the primary vehicle by which men will be brought into the military if Congress and the President should authorize a return to the draft.

In December 1987, Selective Service was tasked by law (Public Law 100-180, sec. 715) to develop plans for a postmobilization health care personnel delivery system capable of providing the necessary critically skilled health care personnel to the Armed Forces in time of emergency. An automated system capable of handling mass registration and inductions is now complete, together with necessary draft legislation, a draft Presidential proclamation, prototype forms and letters, et cetera. These products will be available should the need arise. The development of supplemental standby products, such as a compliance system for health care personnel, continues using very limited existing resources.

##### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$25,003,000 for the Selective Service System. This amount is the same as the budget request for fiscal year 2002 and an increase of \$576,856 over the fiscal year 2001 enacted level.

#### TITLE IV—GENERAL PROVISIONS

The Committee recommends inclusion of 27 general provisions previously enacted in the 2001 appropriations act. They are largely standard limitations which have been carried in the VA, HUD, and Independent Agencies appropriations bill in the past.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE  
STANDING RULES OF THE SENATE

Paragraph 7 of Rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill “which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.”

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Housing certificate fund: \$15,658,769.  
Fair housing activities: \$45,899,000.  
HOME Investment Partnerships Program: \$1,796,040,000.  
Homeless assistance grants: \$1,022,745,000.  
Community development block grants: \$5,012,993,000.  
Rural housing and economic development: \$25,000,000.

DEPARTMENT OF THE TREASURY

Community      Development      Financial      Institutions      Fund:  
\$100,000,000.

CONSUMER PRODUCT SAFETY COMMISSION

Salaries and expenses: \$56,200,000.

ENVIRONMENTAL PROTECTION AGENCY

Environmental programs and management: \$2,061,996,000.  
Science and technology: \$665,672,000.  
State and tribal assistance grants: \$2,572,234,000.  
Superfund: \$1,274,646,000.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Salaries and expenses: \$203,801,000.  
Emergency management planning and assistance: \$259,623,000.  
Emergency food and shelter: \$139,692,000.

GENERAL SERVICES ADMINISTRATION

Federal Consumer Information Center: \$7,276,000.

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI OF THE  
STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, the Committee ordered reported, en bloc, an original fiscal year 2002 Departments of Commerce, Justice, and State, the Judiciary, and related agencies appropriations bill, S. 1215, and an original fiscal year 2002 Depart-

ments of Veterans Affairs and Housing and Urban Development, and Independent Agencies appropriations bill, S. 1216, each subject to amendment and each subject to its budget allocations, by a recorded vote of 29–0, a quorum being present. The vote was as follows:

Yeas	Nays
Chairman Byrd	
Mr. Inouye	
Mr. Hollings	
Mr. Leahy	
Mr. Harkin	
Ms. Mikulski	
Mr. Reid	
Mr. Kohl	
Mrs. Murray	
Mr. Dorgan	
Mrs. Feinstein	
Mr. Durbin	
Mr. Johnson	
Mrs. Landrieu	
Mr. Reed	
Mr. Stevens	
Mr. Cochran	
Mr. Specter	
Mr. Domenici	
Mr. Bond	
Mr. McConnell	
Mr. Burns	
Mr. Shelby	
Mr. Gregg	
Mr. Bennett	
Mr. Campbell	
Mr. Craig	
Mrs. Hutchison	
Mr. DeWine	

#### COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

#### NATIONAL HOUSING ACT

\* \* \* \* \*

## TITLE II—MORGAGE INSURANCE

\* \* \* \* \*

SEC. 203. (a) \* \* \*

\* \* \* \* \*

(c)(1) The Secretary is authorized to fix premium charge for the insurance of mortgages under the separate sections of this title but in the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments: *Provided*, That premium charges fixed for insurance (1) under section 245, 247, 251, 252, or 253, or any other financing mechanism providing alternative methods for repayment of a mortgage that is determined by the Secretary to involve additional risk, or (2) under subsections (n) **[and (k)]** are not required to be the same as the premium charges for mortgages insured under the other provisions of this section, but in no case shall premium charges under subsection (n) **[or (k)]** exceed 1 per centum per annum: *Provided*, That any reduced premium charge so fixed and computed may, in the discretion of the Secretary, also be made applicable in such manner as the Secretary shall prescribe to each insured mortgage outstanding under the section or sections involved at the time the reduced premium charge is fixed. Such premium charges shall be payable by the mortgagee, either in cash, or in debentures issued by the Secretary under this title at par plus accrued interest, in such manner as may be prescribed by the Secretary: *Provided*, That debentures presented in payment of premium charges shall represent obligations of the particular insurance fund or account to which such premium charges are to be credited: *Provided further*, That the Secretary may require the payment of one or more such premium charges at the time the mortgage is insured, at such discount rate as he may prescribe not in excess of the interest rate specified in the mortgage. If the Secretary finds upon the presentation of a mortgage for insurance and the tender of the initial premium charge or charges so required that the mortgage complies with the provisions of this section, such mortgage may be accepted for insurance by endorsement or otherwise as the Secretary may prescribe; but no mortgage shall be accepted for insurance under this section unless the Secretary finds that the project with respect to which the mortgage is executed is economically sound. In the event that the principal obligation of any mortgage accepted for insurance under this title is paid in full prior to the maturity date, the Secretary is further authorized in his discretion to require the payment by the mortgagee of an adjusted premium charge in such amount as the Secretary determines to be equitable, but not in excess of the aggregate amount of the premium charges that the mortgagee would otherwise have been required to pay if the mortgage had continued to be insured until such maturity date; and in the event that the principal obligation is paid in full as herein set forth, the Secretary is authorized to refund to the mortgagee for the account of the mortgagor all, or such portion as he shall determine to be equitable, of the current



unearned premium charges theretofore paid: *Provided*, That with respect to mortgages (1) for which the Secretary requires, at the time the mortgage is insured, the payment of a single premium charge to cover the total premium obligation for the insurance of the mortgage, and (2) on which the principal obligation is paid before the number of years on which the premium with respect to a particular mortgage was based, or the property is sold subject to the mortgage or is sold and the mortgage is assumed prior to such time, the Secretary shall provide for refunds, where appropriate, of a portion of the premium paid and shall provide for appropriate allocation of the premium cost among the mortgagors over the term of the mortgage, in accordance with procedures established by the Secretary which take into account sound financial and actuarial considerations.

(2) Notwithstanding any other provision of this section, each mortgage secured by a 1- to 4-family dwelling [and executed on or after October 1, 1994,] that is an obligation of the Mutual Mortgage Insurance Fund or of the General Insurance Fund pursuant to subsection (v), *and each mortgage that is insured under subsection (k) or section 234(c)*, shall be subject to the following requirements:

\* \* \* \* \*

#### RENTAL HOUSING INSURANCE

##### SEC. 207. (a) \* \* \*

\* \* \* \* \*

(c) To be eligible for insurance under this section a mortgage on any property or project shall involve a principal obligation in an amount—

\* \* \* \* \*

(3) not to exceed, for such part of the property or projects as may be attributable to dwelling use (excluding exterior and land improvements as defined by the Secretary), **[\$30,420]** \$38,025 per family unit without bedroom, **[\$33,696]** \$42,120 per family unit with one bedroom, **[\$40,248]** \$50,310 per family unit with two bedrooms, **[\$49,608]** \$62,010 per family unit with three bedrooms, and **[\$56,160]** \$70,200 per family unit with four or more bedrooms, or not to exceed **[\$9,000]** \$11,000 per space; except that as to projects to consist of elevator-type structures the Secretary may, in his discretion, increase the dollar amount limitations per family unit to not to exceed **[\$35,100]** \$43,875 per family unit without a bedroom, **[\$39,312]** \$49,140 per family unit with one bedroom, **[\$48,204]** \$60,255 per family unit with two bedrooms, **[\$60,372]** \$75,465 per family unit with three bedrooms, and **[\$68,262]** \$85,328 per family unit with four or more bedrooms, as the case may be, to compensate for the higher costs incident to the construction of elevator type structures of sound standards of construction and design; and except that the Secretary may, by regulation, increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed 110 percent in any geographical area where the Secretary finds

that cost levels so require and not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved.

\* \* \* \* \*

# REHABILITATION AND NEIGHBORHOOD CONSERVATION HOUSING INSURANCE

SEC. 220. (a) \* \* \*

\* \* \* \* \*

(d) \* \* \*

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(A) \* \* \*

\* \* \* \* \*

(B) \* \* \*

(i) \* \* \*

\* \* \* \* \*

(iii) not to exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Secretary), ~~[\$30,420]~~ \$38,025 per family unit without a bedroom, ~~[\$33,696]~~ \$42,120 per family unit with one bedroom, ~~[\$40,248]~~ \$50,310 per family unit with two bedrooms, ~~[\$49,608]~~ \$62,010 per family unit with three bedrooms, and ~~[\$56,160]~~ \$70,200 per family unit with four or more bedrooms, except that as to projects to consist of elevator-type structures the Secretary may, in his discretion, increase the dollar amount limitations per family unit not to exceed ~~[\$35,100]~~ \$43,875 per family unit without a bedroom, ~~[\$39,312]~~ \$49,140 per family unit with one bedroom, ~~[\$48,204]~~ \$60,255 per family unit with two bedrooms, ~~[\$60,372]~~ \$75,465 per family unit with three bedrooms, and ~~[\$68,262]~~ \$85,328 per family unit with four or more bedrooms, as the case may be, to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design; and except that with respect to rehabilitation projects involving not more than five family units, the Secretary may by regulation increase by 25 per centum any of the foregoing dollar amount limitations contained in this clause which are applicable to units with two, three, or four or more bedrooms: *Provided*, That the Secretary may, by regulation, increase any of the foregoing dollar amount limitations contained in this clause (as determined after the application of the preceding proviso) by not to exceed 110 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where

the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved): *Provided further*, That nothing contained in this subparagraph shall preclude the insurance of mortgages covering existing multifamily dwellings to be rehabilitated or reconstructed for the purposes set forth in subsection (a) of this section: *And provided further*, That the Secretary may further increase any of the dollar amount limitations which would otherwise apply for the purpose of this clause by not to exceed 20 per centum if such increase is necessary to account for the increased cost of the project due to the installation therein of a solar energy system (as defined in subparagraph (3) of the last paragraph of section 2(a) of this Act) or residential energy conservation measures (as defined in section 210(11)(A) through (G) and (I) of Public Law 95-619) in cases where the Secretary determines that such measures are in addition to those required under the minimum property standards and will be cost-effective over the life of the measure; and

\* \* \* \* \*

SEC. 221. (a) \* \* \*

\* \* \*

(d) \* \* \*

\* \* \*

(1) \* \* \*

\* \* \*

(i) \* \* \*

(ii) not exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Secretary), **[\$33,638]** \$42,048 per family unit without a bedroom, **[\$38,785]** \$48,481 per family unit with one bedroom, **[\$46,775]** \$58,469 per family unit with two bedrooms, **[\$59,872]** \$74,840 per family unit with three bedrooms, and **[\$66,700]** \$83,375 per family unit with four or more bedrooms; except that as to projects to consist of elevator-type structures the Secretary may, in his discretion, increase the dollar amount limitations per family unit to not to exceed **[\$35,400]** \$44,250 per family unit without a bedroom, **[\$40,579]** \$50,724 per family unit with one bedroom, **[\$49,344]** \$61,680 per family unit with two bedrooms, **[\$63,834]** \$79,793 per family unit with three bedrooms, and **[\$70,070]** \$87,588 per family unit with four or more bedrooms, as the case may be, to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design; and except that the Secretary may, by regulation, increase any of the foregoing dollar amount limitations contained in this clause and by not to exceed 110 percent in any geographical area where the Secretary finds that cost levels

so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved; and

\* \* \* \* \*

(4) \* \* \*

(i) \* \* \*

\* \* \* \* \*

(ii) not exceed, or such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Secretary), ~~[\$30,274]~~ \$37,843 per family unit without a bedroom, ~~[\$34,363]~~ \$42,954 per family unit with one bedroom, ~~[\$41,536]~~ \$51,920 per family unit with two bedrooms, ~~[\$52,135]~~ \$65,169 per family unit with three bedrooms, and ~~[\$59,077]~~ \$73,846 per family unit with four or more bedrooms; except that as to projects to consist of elevator-type structures the Secretary may, in his discretion, increase the dollar amount limitations per family unit to not to exceed ~~[\$32,701]~~ \$40,876 per family unit without a bedroom, ~~[\$37,487]~~ \$46,859 per family unit with one bedroom, ~~[\$45,583]~~ \$56,979 per family unit with two bedrooms, ~~[\$58,968]~~ \$73,710 per family unit with three bedrooms, and ~~[\$64,730]~~ \$80,913 per family unit with four or more bedrooms, as the case may be, to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design; and except that the Secretary may, by regulation, increase any of the foregoing dollar amount limitations contained in this clause by not to exceed 110 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved;

\* \* \* \* \*

SEC. 231. (a) \* \* \*

\* \* \* \* \*

(c) \* \* \*

\* \* \* \* \*

(1) \* \* \*

\* \* \* \* \*

(2) not to exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvement as defined by the Secretary), **[\$28,782]** \$35,978 per family unit without a bedroom, **[\$32,176]** \$40,220 per family unit with one bedroom, **[\$38,423]** \$48,029 per family unit with two bedrooms, **[\$46,238]** \$57,798 per family unit with three bedrooms, and **[\$54,360]** \$67,950 per family unit with four or more bedrooms; except that as to projects to consist of elevator-type structures the Secretary may, in his discretion, increase the dollar amount limitations per family unit to not to exceed **[\$32,701]** \$40,876 per family unit without a bedroom, **[\$37,487]** \$46,859 per family unit with one bedroom, **[\$45,583]** \$56,979 per family unit with two bedrooms, **[\$58,968]** \$73,710 per family unit with three bedrooms, and **[\$64,730]** \$80,913 per family unit with four or more bedrooms, as the case may be, to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design; and except that the Secretary may, by regulation, increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed 110 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved: *Provided*, That the Secretary may further increase the dollar amount limitations which would otherwise apply for the purpose of this section by not to exceed 20 per centum if such increase is necessary to account for the increased cost of the project due to the installation therein of a solar energy system (as defined in subparagraph (3) of the last paragraph of section 2(a) of this Act) or residential energy conservation measures (as defined in section 210(11) (A) through (G) and (I) of Public Law 95-619) in cases where the Secretary determines that such measures are in addition to those required under the minimum property standards and will be cost-effective over the life of the measure;

\* \* \* \* \*

MORTGAGE INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES

SEC. 232. (a) \* \* \*

\* \* \* \* \*

(d) \* \* \*

(1) \* \* \*

\* \* \* \* \*

**[(4)(A)]** With respect to nursing homes and intermediate care facilities and combined nursing home and intermediate

care facilities, the Secretary shall not insure any mortgage under this section unless he has received, from the State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act for the State in which is located the nursing home or intermediate care facility or combined nursing home and intermediate care facility covered by the mortgage, a certification that (i) there is a need for such home or facility or combined home and facility, and (ii) there are in force in such State or in the municipality or other political subdivision of the State in which the proposed home or facility or combined home and facility is to be located reasonable minimum standards of licensure and methods of operation governing it. No such mortgage shall be insured under this section unless the Secretary has received such assurance as he may deem satisfactory from the State agency that such standards will be applied and enforced with respect to any home or facility or combined home and facility located in the State for which mortgage insurance is provided under this section. If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the home or facility or combined home and facility as required in clause (i) of the first sentence, the Secretary shall not insure any mortgage under this section unless (i) the State in which the home or facility or combined home and facility is located has conducted or commissioned and paid for the preparation of an independent study of market need and feasibility that (I) is prepared in accordance with the principles established by the American Institute of Certified Public Accountants; (II) assesses, on a marketwide basis, the impact of the proposed home or facility or combined home and facility on, and its relationship to, other health care facilities and services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the home, facility, or combined home and facility; (III) is addressed to and is acceptable to the Secretary in form and substance; and (IV) in the event the State does not prepare the study, is prepared by a financial consultant who is selected by the State or the applicant for mortgage insurance and is approved by the Secretary; and (ii) the State complies with the other provisions of this subparagraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act. The proposed mortgagor may reimburse the State for the cost of the independent feasibility study required in the preceding sentence. In the case of a small intermediate care facility for the mentally retarded or developmentally disabled, or a board and care home housing less than 10 individuals, the State program agency or agencies responsible for licensing, certifying, financing, or monitoring the facility or home may, in lieu of the requirements of clause (i) of the third sentence, provide the Secretary with written support identifying the need for the facility or home.】

*(A)(i) The Secretary, in conjunction with the Secretary of Health and Human Services, shall require satisfactory*

*evidence that a nursing home, intermediate care facility, or combined nursing home and intermediate care facility will be located in a State or political subdivision of a State with reasonable minimum standards of licensure and methods of operation for such homes, facilities, or combined homes and facilities. The Secretary shall also require satisfactory assurance that such standards will be applied and enforced with respect to the home, facility, or combined home or facility.*

*(ii) The Secretary shall establish the means for determining need and feasibility for the home, facility, or combined home and facility. If the State has an official procedure for determining need for such homes, facilities, or combined homes and facilities, the Secretary shall also require that such procedure be followed before the application for insurance is submitted, and the application shall document that need has also been established under that procedure.*

\* \* \* \* \*

SEC. 234. (a) \* \* \*

\* \* \* \* \*

(e) \* \* \*

(1) \* \* \*

\* \* \* \* \*

(3) not to exceed, for such part of the project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Secretary), ~~[\$30,420]~~ \$38,025 per family unit without a bedroom, ~~[\$33,696]~~ \$42,120 per family unit with one bedroom, ~~[\$40,248]~~ \$50,310 per family unit with two bedrooms, ~~[\$49,608]~~ \$62,010 per family unit with three bedrooms, and ~~[\$56,160]~~ \$70,200 per family unit with four or more bedrooms; except that as to projects to consist of elevator-type structures the Secretary may, in his discretion, increase the dollar amount limitations per family unit to not to exceed ~~[\$35,100]~~ \$43,875 per family unit without a bedroom, ~~[\$39,312]~~ \$49,140 per family unit with one bedroom, ~~[\$48,204]~~ \$60,255 per family unit with two bedrooms, ~~[\$60,372]~~ \$75,465 per family unit with three bedrooms, and ~~[\$68,262]~~ \$85,328 per family unit with four or more bedrooms, as the case may be, to compensate for higher costs incident to the construction of elevator-type structures of sound standards of construction and design; except that each of the foregoing dollar amounts is increased to the amount established for a comparable unit in section 221(d)(3)(ii); and except that the Secretary may, by regulation, increase any of the foregoing dollar amount limitations contained in this paragraph and by not to exceed 110 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government Na-

tional Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved; and

\* \* \* \* \*

#### MORTGAGE INSURANCE FOR HOSPITALS

SEC. 242. [12 U.S.C. 1715z-7] (a) The purpose

\* \* \* \* \*

(d) \* \* \*

\* \* \* \* \*

(1) \* \* \*

\* \* \* \* \*

[(4) The Secretary shall not insure any mortgage under this section unless he has received, from the State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act for the State in which is located the hospital covered by the mortgage, a certification that (A) there is a need for such hospital, and (B) there are in force in such State or the political subdivision of the State in which the proposed hospital would be located reasonable minimum standards of licensure and methods of operation for hospitals. No such mortgage shall be insured under this section unless the Secretary has received such assurance as he may deem satisfactory from the State agency that such standards will be applied and enforced with respect to any hospital located in the State for which mortgage insurance is provided under this section. If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the hospital as set forth in clause (A) of the first sentence, the Secretary shall not insure any mortgage under this section unless (A) the State in which the hospital is located has conducted or commissioned and paid for the preparation of an independent study of market need and feasibility that (i) is prepared in accordance with the principles established by the American Institute of Certified Public Accountants; (ii) assesses, on a marketwide basis, the impact of the proposed hospital on, and its relationship to, other health care facilities and services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the hospital; (iii) is addressed to and is acceptable to the Secretary in form and substance; and (iv) in the event the State does not prepare the study, is prepared by a financial consultant selected by the State and approved by the Secretary; and (B) the State complies with the other provisions of this paragraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act. The proposed mortgagor may reimburse the State for the cost of the independent feasibility study required in the preceding sentence.]

*(4)(A) The Secretary, in conjunction with the Secretary of Health and Human Services, shall require satisfactory evidence*



*that the hospital will be located in a State or political subdivision of a State with reasonable minimum standards of licensure and methods of operation for hospitals and satisfactory assurance that such standards will be applied and enforced with respect to the hospital.*

*(B) The Secretary shall establish the means for determining need and feasibility for the hospital. If the State has an official procedure for determining need for hospitals, the Secretary shall also require that such procedure be followed before the application for insurance is submitted, and the application shall document that need has also been established under that procedure.*

\* \* \* \* \*

#### RENTAL AND COOPERATIVE HOUSING FOR LOWER INCOME FAMILIES

\* \* \* \* \*

#### SEC. 236.

(g)(1) \* \* \*

\* \* \* \* \*

(3) The authority under paragraph (2) to retain and use excess charges shall apply—

\* \* \* \* \*

(A) during fiscal year ~~2000 and 2001~~ *fiscal years 2000, 2001, and 2002,* to all project owners collecting such excess charges; and

\* \* \* \* \*

#### ADJUSTABLE RATE SINGLE FAMILY MORTGAGES

SEC. 251. (a) \* \* \*

(b) The Secretary shall ~~issue regulations requiring that the mortgagee make available to the mortgagor, at the time of loan application, a written explanation of the features of the adjustable rate mortgage, including a hypothetical payment schedule that displays the maximum potential increases in monthly payments to the mortgagor over the first 5 years of the mortgage term.~~ *require that the mortgagee make available to the mortgagor, at the time of loan application, a written explanation of the features of an adjustable rate mortgage consistent with the disclosure requirements applicable to variable rate mortgages secured by a principal dwelling under the Truth in Lending Act.*

(c) The aggregate number of mortgages and loans insured under this section in any fiscal year may not exceed 30 percent of the aggregate number of mortgages and loans insured by the Secretary under this title during the preceding fiscal year.

(d)(1) *The Secretary may insure under this subsection a mortgage that meets the requirements of subsection (a), except that the effective rate of interest—*

*(A) shall be fixed for a period of not less than the first 3 years of the mortgage term;*

*(B) shall be adjusted by the mortgagee initially upon the expiration of such period and annually thereafter; and*

*C) in the case of the initial interest rate adjustment, is subject to the one percent limitation only if the interest rate remained fixed for five or fewer years.*

*(2) The disclosure required under subsection (b) shall be required for a mortgage insured under this subsection.*

\* \* \* \* \*

## TITLE V—MISCELLANEOUS

\* \* \* \* \*

### DIRECTION TO THE SECRETARY TO REQUIRE MORTGAGEES WITH ABOVE NORMAL RATES OF EARLY, SERIOUS DEFAULTS AND CLAIMS TO SUB- MIT REPORTS AND TAKE CORRECTIVE ACTION

【SEC. 533. (a) To reduce losses in connection with mortgage insurance programs under this Act, the Secretary shall review, at least once a year, the rate of early serious defaults and claims involving mortgagees approved under this Act. On the basis of this review, the Secretary shall notify each mortgagee which, as determined by the Secretary, had a rate of early serious defaults and claims during the preceding year which was higher than the normal rate for the geographic area or areas in which that mortgagee does business. In the notification, the Secretary shall require each mortgagee to submit a report, within a time determined by the Secretary, containing the mortgagee's (1) explanation for the above normal rate of early serious defaults and claims; (2) plan for corrective action, if applicable, both with regard to (A) mortgages in default; and (B) its mortgage-processing system in general; and (3) a timeframe within which this corrective action will be begun and completed. If the Secretary does not agree with this timeframe or plan, a mutually agreeable timeframe and plan will be determined.

【(b) Failure of the mortgagee to submit a report required under subsection (a) within the time determined by the Secretary or to commence or complete the plan for corrective action within the timeframe agreed upon by the Secretary may be cause for suspension of the mortgagee from participation in programs under this Act.】

### SEC. 533. REVIEW OF MORTGAGEE PERFORMANCE AND AUTHORITY TO TERMINATE.—

(a) *PERIODIC REVIEW OF MORTGAGEE PERFORMANCE.*—To reduce losses in connection with single family mortgage insurance programs under this Act, at least once a year the Secretary shall review the rate of early defaults and claims for insured single family mortgages originated or underwritten by each mortgagee.

(b) *COMPARISON WITH OTHER MORTGAGEES.*—For each mortgagee, the Secretary shall compare the rate of early defaults and claims for insured single family mortgage loans originated or underwritten by the mortgagee in an area with the rate of early defaults and claims for other mortgagees originating or underwriting insured single family mortgage loans in the area. For purposes of this section, the term “area” means each geographic area in which the mortgagee is authorized by the Secretary to originate insured single family mortgages.

(c) *TERMINATION OF MORTGAGEE ORIGINATION APPROVAL.—(1) Notwithstanding section 202(c) of this Act, the Secretary may terminate the approval of a mortgagee to originate or underwrite single family mortgages if the Secretary determines that the mortgage loans originated or underwritten by the mortgagee present an unacceptable risk to the insurance funds. The determination shall be based on the comparison required under subsection (b) and shall be made in accordance with regulations of the Secretary. The Secretary may rely on existing regulations published before this section takes effect.*

(2) *The Secretary shall give a mortgagee at least 60 days prior written notice of any termination under this subsection. The termination shall take effect at the end of the notice period, unless the Secretary withdraws the termination notice or extends the notice period. If requested in writing by the mortgagee within 30 days of the date of the notice, the mortgagee shall be entitled to an informal conference with the official authorized to issue termination notices on behalf of the Secretary (or a designee of that official). At the informal conference, the mortgagee may present for consideration specific factors that it believes were beyond its control and that caused the excessive default and claim rate.*

\* \* \* \* \*

## TITLE 12—BANKS AND BANKING

\* \* \* \* \*

## CHAPTER 13—NATIONAL HOUSING

\* \* \* \* \*

### SUBCHAPTER II—MORTGAGE INSURANCE

\* \* \* \* \*

#### SEC. 1715e. Cooperative housing insurance

(a) \* \* \*

\* \* \* \* \*

(b) \* \* \*

\* \* \* \* \*

(2) not to exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Secretary), **[\$30,420]** \$38,025 per family unit without a bedroom, **[\$33,696]** \$42,120 per family unit with one bedroom, **[\$40,248]** \$50,310 per family unit with two bedrooms, **[\$49,608]** \$62,010 per family unit with three bedrooms, and **[\$56,160]** \$70,200 per family unit with four or more bedrooms, and not to exceed 98 per centum of the amount which the Secretary estimates will be the replacement cost of the property or project when the proposed physical improvements are completed: Provided, That as to projects to consist of elevator-type structures the Secretary may, in his discretion, increase the dollar amount limitations per family unit to not to exceed **[\$35,100]** \$43,875 per family unit without a bedroom, **[\$39,312]** \$49,140 per family unit with one bedroom,

~~[\$48,204]~~ \$60,255 per family unit with two bedrooms,  
~~[\$60,372]~~ \$75,465 per family unit with three bedrooms, and  
~~[\$68,262]~~ \$85,328 per family unit with four or more bedrooms,  
 as the case may be, to compensate for the higher costs incident  
 to the construction of elevator-type structures of sound stand-  
 ards of construction and design:

\* \* \* \* \*

## HOUSING AND URBAN DEVELOPMENT ACT OF 1968

\* \* \* \* \*

### HOMEOWNERSHIP FOR LOWER INCOME FAMILIES

\* \* \* \* \*

SEC. 106. (a)(1) \* \* \*

\* \* \* \* \*

(c) GRANTS FOR HOMEOWNERSHIP COUNSELING ORGANIZA-  
TIONS.—

(1) \* \* \*

\* \* \* \* \*

**[(9) TERMINATION.—The provisions of this subsection shall  
 not be effective after September 30, 2000.]**

\* \* \* \* \*

## DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2000, PUBLIC LAW 106-74

\* \* \* \* \*

### TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

\* \* \* \* \*

#### OFFICE OF FEDERAL HOUSING ENTERPRIZE OVERSIGHT

SEC. 201 \* \* \*

\* \* \* \* \*

#### HOPWA TECHNICAL

SEC. 225. (a) Notwithstanding any other provision of law, the  
 amount allocated for fiscal year 2000, and the amounts that would  
 otherwise be allocated for fiscal year 2001 *and fiscal year 2002*, to  
 the City of Philadelphia, Pennsylvania on behalf of the Philadel-  
 phia, PA-NJ Primary Metropolitan Area (hereafter “metropolitan  
 area”), under section 854(c) of the AIDS Housing Opportunity Act  
 (42 U.S.C. 12903(c)),

\* \* \* \* \*

## BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC.  
308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the First Concurrent Resolution for 2002: Subcommittee on VA, HUD, and Independent Agencies:				
General purpose, defense .....	138	138	NA	NA
General purpose, non-defense .....	83,915	83,915	NA	NA
General purposes, total .....	84,053	84,053	88,791	<sup>1</sup> 88,431
Mandatory .....	26,898	27,304	26,662	26,143
Projection of outlays associated with the recommendation:				
2002 .....				<sup>2</sup> 64,803
2003 .....				25,836
2004 .....				8,904
2005 .....				4,466
2006 and future years .....				4,730
Financial assistance to State and local governments for 2002 .....	NA	31,665	NA	5,896

<sup>1</sup> Includes outlays from prior-year budget authority.

<sup>2</sup> Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2002

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with ( + or - )	
				2001 appropriation	Budget estimate
<b>TITLE I</b>	.....				
<b>DEPARTMENT OF VETERANS AFFAIRS</b>					
<b>Veterans Benefits Administration</b>					
Compensation and pensions .....	22,766,276	24,944,288	24,944,288	+ 2,178,012	.....
Readjustment benefits .....	1,634,000	2,135,000	2,135,000	+ 501,000	.....
Veterans insurance and indemnities .....	19,850	26,200	26,200	+ 6,350	.....
Veterans housing benefit program fund program account (indefinite) .....	165,740	203,278	203,278	+ 37,538	.....
(Limitation on direct loans) .....	(300)	(300)	(300)	.....	.....
Administrative expenses .....	161,644	164,497	164,497	+ 2,853	.....
Administrative savings from prohibiting new Vendee Home Loans .....	.....	- 1,000	.....	.....	+ 1,000
Education loan fund program account .....	1	1	1	.....	.....
(Limitation on direct loans) .....	(3)	(3)	(3)	.....	.....
Administrative expenses .....	220	64	64	- 156	.....
Vocational rehabilitation loans program account .....	52	72	72	+ 20	.....
(Limitation on direct loans) .....	(2,726)	(3,301)	(3,301)	( + 575)	.....
Administrative expenses .....	431	274	274	- 157	.....
Native American Veteran Housing Loan Program Account .....	531	544	544	+ 13	.....
Total, Veterans Benefits Administration .....	24,748,745	27,473,218	27,474,218	+ 2,725,473	+ 1,000
<b>Veterans Health Administration</b>					
Medical care .....	19,338,948	20,304,742	20,704,742	+ 1,365,794	+ 400,000
Delayed equipment obligation .....	898,020	675,000	675,000	- 223,020	.....

Total .....	20,236,968	20,979,742	21,379,742	+ 1,142,774	+ 400,000
(Transfer to general operating expenses) .....	( - 28,134)	.....	.....	( + 28,134)	.....
(Transfer to Parking revolving fund) .....	( - 2,000)	.....	.....	( + 2,000)	.....
Medical care cost recovery collections:					
Offsetting receipts .....	- 637,594	- 691,000	- 691,000	- 53,406	.....
Appropriations (indefinite) .....	637,594	691,000	691,000	+ 53,406	.....
Total available .....	(20,874,562)	(21,670,742)	(22,070,742)	( + 1,196,180)	( + 400,000)
Medical and prosthetic research .....	350,228	360,237	390,000	+ 39,772	+ 29,763
Medical administration and miscellaneous operating expenses .....	61,864	67,628	67,628	+ 5,764	.....
Total, Veterans Health Administration .....	20,649,060	21,407,607	21,837,370	+ 1,188,310	+ 429,763
Departmental Administration					
General operating expenses .....	1,047,690	1,194,831	1,194,831	+ 147,141	.....
Offsetting receipts .....	(36,520)	.....	.....	( - 36,520)	.....
Total, Program Level .....	(1,084,210)	(1,194,831)	(1,194,831)	( + 110,621)	.....
(Transfer from medical care) .....	(28,134)	.....	.....	( - 28,134)	.....
(Transfer from national cemetery) .....	(125)	.....	.....	( - 125)	.....
(Transfer from inspector general) .....	(28)	.....	.....	( - 28)	.....
National Cemetery Administration .....	109,647	121,169	121,169	+ 11,522	.....
(Transfer to general operating expenses) .....	( - 125)	.....	.....	( + 125)	.....
Office of Inspector General .....	46,362	48,308	48,308	+ 1,946	.....
(Transfer to general operating expenses) .....	( - 28)	.....	.....	( + 28)	.....
Construction, major projects .....	65,895	183,180	155,180	+ 89,285	- 28,000
Construction, minor projects .....	161,644	178,900	178,900	+ 17,256	.....
Miscellaneous appropriations (Public Law 106-554) .....	8,821	.....	.....	- 8,821	.....
(Transfer to Parking Revolving Fund) .....	( - 4,500)	.....	.....	( + 4,500)	.....
Total .....	170,465	178,900	178,900	+ 8,435	.....
Grants for construction of State extended care facilities .....	99,780	50,000	100,000	+ 220	+ 50,000
Grants for the construction of State veterans cemeteries .....	24,945	25,000	25,000	+ 55	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with ( + or - )	
				2001 appropriation	Budget estimate
(Transfer to Parking Revolving Fund) .....	(6,500)	.....	.....	( - 6,500)	.....
Parking Revolving Fund .....	.....	4,000	4,000	+ 4,000	.....
Total, Departmental Administration .....	1,564,784	1,805,388	1,827,388	+ 262,604	+ 22,000
Total, title I, Department of Veterans Affairs .....	46,962,589	50,686,213	51,138,976	+ 4,176,387	+ 452,763
(Limitation on direct loans) .....	(3,029)	(3,604)	(3,604)	( + 575)	.....
Consisting of:					
Mandatory .....	(24,585,866)	(27,308,766)	(27,308,766)	( + 2,722,900)	.....
Discretionary .....	(22,376,723)	(23,377,447)	(23,830,210)	( + 1,453,487)	( + 452,763)
TITLE II					
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Public and Indian Housing					
Housing Certificate Fund .....	9,719,477	15,717,392	11,458,769	+ 1,739,292	- 4,258,623
Advance appropriation, fiscal year 2002 .....	4,190,760	.....	.....	- 4,190,760	.....
Advance appropriation, fiscal year 2003 .....	.....	.....	4,200,000	+ 4,200,000	+ 4,200,000
Total funding .....	13,910,237	15,717,392	15,658,769	+ 1,748,532	- 58,623
Rescission of unobligated balances: Section 8 recaptures (rescission) .....	- 1,828,967	.....	- 615,000	+ 1,213,967	- 615,000
Public housing capital fund .....	2,993,400	2,293,400	2,943,400	- 50,000	+ 650,000



Public housing operating fund .....	3,234,868	3,384,868	3,384,868	+ 150,000	.....
Subtotal .....	6,228,268	5,678,268	6,328,268	+ 100,000	+ 650,000
Drug elimination grants for low-income housing .....	309,318	.....	300,000	— 9,318	+ 300,000
Revitalization of severely distressed public housing (HOPE VI) .....	573,735	573,735	573,735	.....	.....
Native American housing block grants .....	648,570	648,570	648,570	.....	.....
Indian housing loan guarantee fund program account .....	5,987	5,987	5,987	.....	.....
(Limitation on guaranteed loans) .....	(71,956)	(234,283)	(234,283)	( + 162,327)	.....
Native Hawaiian housing loan guarantee fund .....	.....	.....	1,000	+ 1,000	+ 1,000
(Limitation on guaranteed loans) .....	.....	.....	(40,000)	( + 40,000)	( + 40,000)
Total, Public and Indian Housing .....	19,847,148	22,623,952	22,901,329	+ 3,054,181	+ 277,377
Community Planning and Development					
Housing opportunities for persons with AIDS .....	257,432	277,432	277,432	+ 20,000	.....
Rural housing and economic development .....	24,945	.....	25,000	+ 55	+ 25,000
Empowerment zones/enterprise communities .....	74,835	150,000	75,000	+ 165	— 75,000
Rural empowerment zones .....	14,967	.....	.....	— 14,967	.....
Miscellaneous appropriations (Public Law 106–554) .....	109,758	.....	.....	— 109,758	.....
Total .....	199,560	150,000	75,000	— 124,560	— 75,000
Community development block grants .....	5,046,423	4,801,993	5,012,993	— 33,430	+ 211,000
Miscellaneous appropriations (Public Law 106–554) .....	65,983	.....	.....	— 65,983	.....
Section 108 loan guarantees:					
(Limitation on guaranteed loans) .....	(1,261,000)	(608,696)	(608,696)	( — 652,304)	.....
Credit subsidy .....	28,936	14,000	14,000	— 14,936	.....
Administrative expenses .....	998	1,000	1,000	+ 2	.....
Brownfields redevelopment .....	24,945	25,000	25,000	+ 55	.....
HOME investment partnerships program .....	1,796,040	1,796,040	1,796,040	.....	.....
Homeless assistance grants .....	1,022,745	1,022,745	1,022,745	.....	.....
Shelter Plus Care .....	99,780	99,780	99,780	.....	.....
Total, Community planning and development .....	8,567,787	8,187,990	8,348,990	— 218,797	+ 161,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2001 appropriation	Budget estimate
Housing Programs					
Housing for special populations .....	993,809	1,001,009	1,001,009	+ 7,200	.....
Housing for the elderly .....	(779,000)	(783,286)	(783,286)	(+ 4,286)	.....
Housing for the disabled .....	(217,000)	(217,723)	(217,723)	(+ 723)	.....
Federal Housing Administration					
FHA—Mutual mortgage insurance program account:					
(Limitation on guaranteed loans) .....	(160,000,000)	(160,000,000)	(160,000,000)	.....	.....
(Limitation on direct loans) .....	(250,000)	(250,000)	(250,000)	.....	.....
Administrative expenses .....	330,160	336,700	336,700	+ 6,540	.....
Negative subsidy <sup>1</sup> .....	— 2,241,059	— 2,323,000	— 2,323,000	— 81,941	.....
Administrative contract expenses .....	159,648	160,000	160,000	+ 352	.....
Additional contract expenses .....	3,991	1,000	1,000	— 2,991	.....
Streamlined downpayment requirements .....	6,985	.....	.....	— 6,985	.....
FHA—General and special risk program account:					
(Limitation on guaranteed loans) .....	(21,000,000)	(21,000,000)	(21,000,000)	.....	.....
(Limitation on direct loans) .....	(50,000)	(50,000)	(50,000)	.....	.....
Administrative expenses .....	210,990	216,100	216,100	+ 5,110	.....
Negative subsidy .....	— 99,780	— 225,000	— 225,000	— 125,220	.....
Subsidy .....	100,778	15,000	15,000	— 85,778	.....
Guaranteed loans credit subsidy (emergency funding) (Public Law 106–554) .....	39,912	.....	.....	— 39,912	.....
Non-overhead administrative expenses .....	143,683	144,000	144,000	+ 317	.....
Additional contract expenses .....	6,985	4,000	4,000	— 2,985	.....
Manufactured housing fees trust fund .....	.....	17,254	17,254	+ 17,254	.....
Offsetting collections .....	.....	— 17,254	— 17,254	— 17,254	.....

Savings from cancelling S. 1029 .....			— 8,000	— 8,000	— 8,000
Total, Federal Housing Administration .....	— 1,337,707	— 1,671,200	— 1,679,200	— 341,493	— 8,000
Government National Mortgage Association					
Guarantees of mortgage-backed securities loan guarantee program account:					
(Limitation on guaranteed loans) .....	(200,000,000)	(200,000,000)	(200,000,000)		
Administrative expenses .....	9,362	9,383	9,383	+ 21	
Offsetting receipts .....	— 346,237	— 382,000	— 382,000	— 35,763	
Policy Development and Research					
Research and technology .....	53,382	43,404	53,404	+ 22	+ 10,000
Fair Housing and Equal Opportunity					
Fair housing activities .....	45,899	45,899	45,899		
Office of Lead Hazard Control and Healthy Homes					
Lead hazard reduction .....	99,780	109,758	109,758	+ 9,978	
Millenial Housing Commission					
Gifts and donations .....		1,500			— 1,500
Management and Administration					
Salaries and expenses .....	542,072	556,067	556,032	+ 13,960	— 35
Transfer from:					
Limitation on FHA corporate funds .....	(518,000)	(530,457)	(530,457)	( + 12,457)	
GNMA .....	(9,383)	(9,383)	(9,383)		
Community Planning and Development .....	(1,000)	(1,000)	(1,000)		
Title VI .....	(150)	(150)	(150)		
Indian Housing .....	(200)	(200)	(200)		
Native Hawaiian Housing .....			(35)	( + 35)	( + 35)
Total, Salaries and expenses .....	(1,070,805)	(1,097,257)	(1,097,257)	( + 26,452)	
Office of Inspector General .....	52,541	61,555	66,555	+ 14,014	+ 5,000
(By transfer, limitation on FHA corporate funds) .....	(22,343)	(22,343)	(22,343)		
(By transfer from Drug Elimination Grants) .....	(10,000)			( — 10,000)	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with ( + or - )	
				2001 appropriation	Budget estimate
(By transfer from Public Housing Oper Subsidy) .....	.....	(10,000)	.....	.....	( - 10,000)
Total, Office of Inspector General .....	(84,884)	(93,898)	(88,898)	( + 4,014)	( - 5,000)
Office of Federal Housing Enterprise Oversight .....	21,952	27,000	27,000	+ 5,048	.....
Offsetting receipts .....	- 21,952	- 27,000	- 27,000	- 5,048	.....
Consolidated fee fund (rescission) .....	.....	- 6,700	- 6,700	- 6,700	.....
Total, title II, Department of Housing and Urban Development (net) .....	28,527,836	30,580,617	31,024,459	+ 2,496,623	+ 443,842
Appropriations .....	(26,166,043)	(30,587,317)	(27,446,159)	( + 1,280,116)	( - 3,141,158)
Rescissions .....	( - 1,828,967)	( - 6,700)	( - 621,700)	( + 1,207,267)	( - 615,000)
Advance appropriation, fiscal year 2002 .....	(4,190,760)	.....	.....	( - 4,190,760)	.....
Advance appropriation, fiscal year 2003 .....	.....	.....	(4,200,000)	( + 4,200,000)	( + 4,200,000)
(Limitation on direct loans) .....	(300,000)	(300,000)	(300,000)	.....	.....
(Limitation on guaranteed loans) .....	(382,332,956)	(381,842,979)	(381,882,979)	( - 449,977)	( + 40,000)
(Limitation on corporate funds) .....	(551,076)	(563,533)	(563,568)	( + 12,492)	( + 35)
TITLE III .....	.....	.....	.....	.....	.....
INDEPENDENT AGENCIES .....	.....	.....	.....	.....	.....
American Battle Monuments Commission .....	.....	.....	.....	.....	.....
Salaries and expenses .....	27,938	28,466	28,466	+ 528	.....
Chemical Safety and Hazard Investigation Board .....	.....	.....	.....	.....	.....
Salaries and expenses .....	7,483	7,621	7,621	+ 138	.....

Department of the Treasury					
Community Development Financial Institutions					
Community development financial institutions fund program account .....	117,740	67,948	100,000	− 17,740	+ 32,052
Consumer Product Safety Commission					
Salaries and expenses .....	52,384	54,200	56,200	+ 3,816	+ 2,000
Corporation for National and Community Service					
National and community service programs operating expenses .....	457,491	411,480	415,480	− 42,011	+ 4,000
Rescission .....	− 29,933			+ 29,933	
Office of Inspector General .....	4,989	5,000	5,000	+ 11	
Total .....	432,547	416,480	420,480	− 12,067	+ 4,000
Court of Appeals for Veterans Claims					
Salaries and expenses .....	12,418	13,221	13,221	+ 803	
Department of Defense—Civil					
Cemeterial Expenses, Army					
Salaries and expenses .....	17,910	18,437	18,437	+ 527	
Department of Health and Human Services					
National Institute of Health					
National Institute of Environmental Health Sciences .....	62,861	70,228	70,228	+ 7,367	
Centers for Disease Control and Prevention					
Agency for Toxic Substances and Disease Registry .....	74,835	78,235	78,235	+ 3,400	
Total, Department of Health and Human Services .....	137,696	148,463	148,463	+ 10,767	
Environmental Protection Agency					
Science and Technology .....	694,469	640,538	665,672	− 28,797	+ 25,134
Miscellaneous appropriations (Public Law 106–554) .....	998			− 998	
Transfer from Hazardous Substance Superfund .....	36,420	36,891	36,891	+ 471	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with ( + or - )	
				2001 appropriation	Budget estimate
Subtotal, Science and Technology .....	731,887	677,429	702,563	- 29,324	+ 25,134
Environmental Programs and Management .....	2,083,396	1,972,960	2,061,996	- 21,400	+ 89,036
Office of Inspector General .....	34,019	34,019	34,019	.....	.....
Transfer from Hazardous Substance Superfund .....	11,475	11,867	11,867	+ 392	.....
Subtotal, OIG .....	45,494	45,886	45,886	+ 392	.....
Buildings and facilities .....	23,878	25,318	25,318	+ 1,440	.....
Hazardous Substance Superfund .....	1,167,426	1,268,135	1,274,646	+ 107,220	+ 6,511
Delay of obligation .....	99,780	.....	.....	- 99,780	.....
Transfer to Office of Inspector General .....	- 11,475	- 11,867	- 11,867	- 392	.....
Transfer to Science and Technology .....	- 36,420	- 36,891	- 36,891	- 471	.....
Subtotal, Hazardous Substance Superfund .....	1,219,311	1,219,377	1,225,888	+ 6,577	+ 6,511
Leaking Underground Storage Tank Program .....	71,937	71,937	71,947	+ 10	+ 10
Oil spill response .....	14,967	14,967	14,986	+ 19	+ 19
State and Tribal Assistance Grants .....	2,614,974	2,232,943	2,572,234	- 42,740	+ 339,291
Categorical grants .....	1,005,782	1,055,782	1,030,782	+ 25,000	- 25,000
Subtotal, STAG .....	3,620,756	3,288,725	3,603,016	- 17,740	+ 314,291
Total, EPA .....	7,811,626	7,316,599	7,751,600	- 60,026	+ 435,001

Executive Office of the President					
Office of Science and Technology Policy .....	5,190	5,267	5,267	+ 77	.....
Council on Environmental Quality and Office of Environmental Quality .....	2,894	2,974	2,974	+ 80	.....
Total .....	8,084	8,241	8,241	+ 157	.....
Federal Deposit Insurance Corporation					
Office of Inspector General (transfer) .....	(33,660)	(33,660)	(33,660)	.....	.....
Federal Emergency Management Agency					
Disaster relief .....	299,340	1,369,399	359,399	+ 60,059	— 1,010,000
(Transfer out) .....	(— 2,900)	(— 2,900)	(— 2,900)	.....	.....
Contingent emergency appropriations .....	1,297,140	.....	2,000,000	+ 702,860	+ 2,000,000
Subtotal .....	1,596,480	1,369,399	2,359,399	+ 762,919	+ 990,000
Radiological emergency preparedness fund .....	.....	— 1,000	— 1,000	— 1,000	.....
Disaster assistance direct loan program account:					
State share loan .....	1,674	405	405	— 1,269	.....
(Limitation on direct loans) .....	(25,000)	(25,000)	(25,000)	.....	.....
Administrative expenses .....	426	543	543	+ 117	.....
Salaries and expenses .....	186,589	203,801	203,801	+ 17,212	.....
Defense function .....	27,938	30,000	30,000	+ 2,062	.....
Subtotal .....	214,527	233,801	233,801	+ 19,274	.....
Office of Inspector General .....	9,978	10,303	10,303	+ 325	.....
Emergency management planning and assistance .....	249,103	234,623	259,623	+ 10,520	+ 25,000
Defense function .....	19,956	20,000	20,000	+ 44	.....
Firefighting <sup>2</sup> .....	99,780	100,000	150,000	+ 50,220	+ 50,000
Subtotal .....	368,839	354,623	429,623	+ 60,784	+ 75,000
(By transfer) .....	(2,900)	(2,900)	(2,900)	.....	.....
Emergency food and shelter program .....	139,692	139,692	139,692	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with ( + or - )	
				2001 appropriation	Budget estimate
National Flood Insurance Fund:					
(Limitation on administrative expenses):					
Salaries and expenses <sup>3</sup> .....	25,679	28,798	28,798	+ 3,119	.....
Flood mitigation <sup>3</sup> .....	77,137	76,381	76,381	- 756	.....
(Transfer out) .....	( - 20,000)	( - 20,000)	( - 20,000)	.....	.....
National Flood Migration Fund (by transfer) .....	(20,000)	(20,000)	(20,000)	.....	.....
Total, Federal Emergency Management Agency .....	2,434,432	2,212,945	3,277,945	+ 843,513	+ 1,065,000
Appropriations .....	(1,137,292)	(2,212,945)	(1,277,945)	( + 140,653)	( - 935,000)
Contingent emergency appropriations .....	(1,297,140)	.....	(2,000,000)	( + 702,860)	( + 2,000,000)
General Services Administration					
Federal Consumer Information Center Fund .....	7,106	7,276	7,276	+ 170	.....
National Aeronautics and Space Administration					
Human space flight .....	5,450,882	7,296,000	6,868,000	+ 1,417,118	- 428,000
Science, aeronautics and technology .....	6,177,080	7,191,700	7,669,700	+ 1,492,620	+ 478,000
Mission support .....	2,602,961	.....	.....	- 2,602,961	.....
Office of Inspector General .....	22,949	23,700	23,700	+ 751	.....
Total, NASA .....	14,253,872	14,511,400	14,561,400	+ 307,528	+ 50,000
National Credit Union Administration					
Central liquidity facility:					
(Limitation on direct loans) .....	(1,500,000)	(1,500,000)	(1,500,000)	.....	.....

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(Limitation on administrative expenses, corporate funds) .....	(296)	(309)	(309)	(+ 13)	.....
Revolving loan program .....	998	1,000	1,000	+ 2	.....
National Science Foundation					
Research and related activities .....	3,279,769	3,263,981	3,451,481	+ 171,712	+ 187,500
Defense function .....	62,861	63,000	63,000	+ 139	.....
Subtotal .....	3,342,630	3,326,981	3,514,481	+ 171,851	+ 187,500
Major research equipment .....	121,332	96,332	108,832	- 12,500	+ 12,500
Education and human resources .....	785,620	872,407	872,407	+ 86,787	.....
Salaries and expenses .....	160,536	170,040	170,040	+ 9,504	.....
Office of Inspector General .....	6,266	6,760	6,760	+ 494	.....
Total, NSF .....	4,416,384	4,472,520	4,672,520	+ 256,136	+ 200,000
Neighborhood Reinvestment Corporation					
Payment to the Neighborhood Reinvestment Corporation .....	89,802	95,000	100,000	+ 10,198	+ 5,000
Selective Service System					
Salaries and expenses .....	24,426	25,003	25,003	+ 577	.....
Total, title III, Independent agencies .....	29,852,846	29,404,820	31,197,873	+ 1,345,027	+ 1,793,053
Appropriations .....	(29,852,846)	(29,404,820)	(31,197,873)	(+ 1,345,027)	(+ 1,793,053)
Rescissions .....	(- 29,933)	.....	.....	(+ 29,933)	.....
(Limitation on direct loans) .....	(1,525,000)	(1,525,000)	(1,525,000)	.....	.....
(Limitation on corporate funds) .....	(296)	(309)	(309)	(+ 13)	.....
OTHER PROVISIONS					
Filipino veterans provision .....	2,993	.....	.....	- 2,993	.....
Grand total (net) .....	105,346,264	110,671,650	113,361,308	+ 8,015,044	+ 2,689,658
Appropriations .....	(101,717,264)	(110,678,350)	(107,783,008)	(+ 6,065,744)	(- 2,895,342)
Rescissions .....	(- 1,858,900)	(- 6,700)	(- 621,700)	(+ 1,237,200)	(- 615,000)
Contingent emergency appropriations .....	(1,297,140)	.....	(2,000,000)	(+ 702,860)	(+ 2,000,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with ( + or - )	
				2001 appropriation	Budget estimate
Advance appropriation, fiscal year 2002 .....	(4,190,760)	.....	(4,200,000)	( + 9,240)	( + 4,200,000)
(By transfer) .....	(66,560)	(66,560)	(56,560)	( - 10,000)	( - 10,000)
(Transfer out) .....	( - 22,900)	( - 22,900)	( - 22,900)	.....	.....
(Limitation on direct loans) .....	(1,828,029)	(1,828,604)	(1,828,604)	( + 575)	.....
(Limitation on guaranteed loans) .....	(382,332,956)	(381,842,979)	(381,882,979)	( - 449,977)	( + 40,000)
(Limitation on corporate funds) .....	(551,372)	(563,842)	(563,877)	( + 12,505)	( + 35)

<sup>1</sup> Not included in fiscal year 2001 CSBA tables.  
<sup>2</sup> Fiscal year 2001 enacted in Public Law 106-554.  
<sup>3</sup> Fiscal year 2001 funding scored as non-add.